



CABINET

9 February 2022

A meeting of the CABINET will be held on Thursday, 17th February, 2022, 6.00 pm in Council Chamber, Marmion House, Lichfield Street, Tamworth, B79 7BZ

A G E N D A

NON CONFIDENTIAL

- 1 Apologies for Absence**
- 2 Minutes of Previous Meeting (Pages 5 - 10)**
- 3 Declarations of Interest**
To receive any declarations of Members' interests (pecuniary and non-pecuniary) in any matters which are to be considered at this meeting.

When Members are declaring a pecuniary or non-pecuniary interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a pecuniary or non-pecuniary interest in respect of which they do not have a dispensation.
- 4 Matters Referred to the Cabinet in Accordance with the Overview and Scrutiny Procedure Rules (Pages 11 - 12)**
(Report of the Chairs of the Scrutiny Committees)
- 5 Question Time:**
To answer questions from members of the public pursuant to Executive Procedure Rule No. 13
- 6 Corporate Vision, Priorities Plan, Budget & Medium Term Financial Strategy 2022/23 (To Follow)**
(Report of the Leader of the Council)
- 7 Quarter Three 2021/22 Performance Report (Pages 13 - 118)**

(Report of the Leader of the Council)

- 8 Establishment of a Staffordshire Leaders Board** (Pages 119 - 134)
(Report of the Leader of the Council)
- 9 Write Offs** (Pages 135 - 144)
(Report of the Portfolio Holder for Finance, Risk and Customer Services)
- 10 Release of Capital Contingency** (Pages 145 - 148)
(Report of the Portfolio Holder for Environment, Entertainment and Leisure)

11 Exclusion of the Press and Public

To consider excluding the Press and Public from the meeting by passing the following resolution:-

“That in accordance with the provisions of the Local Authorities (Executive Arrangements) (Meeting and Access to Information) (England) Regulations 2012, and Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 2 and /or 3 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public”

At the time this agenda is published no representations have been received that this part of the meeting should be open to the public.

- 12 Delivery of Disabled Facilities Grants** (Pages 149 - 158)
(Report of the Portfolio Holder for Finance, Risk and Customer Services)
- 13 Summer 2022 Activity Programme** (Pages 159 - 188)
(Report of the Portfolio Holder for Environment, Entertainment and Leisure)

Yours faithfully



Chief Executive

Access arrangements

If you have any particular access requirements when attending the meeting, please contact Democratic Services on 01827 709267 or e-mail democratic-services@tamworth.gov.uk. We can then endeavour to ensure that any particular requirements you may have are catered for.

Filming of Meetings

The public part of this meeting may be filmed and broadcast. Please refer to the Council's Protocol on Filming, Videoing, Photography and Audio Recording at Council meetings which can be found [here](#) for further information.

If a member of the public is particularly concerned about being filmed, please contact a member of Democratic Services before selecting a seat.

FAQs

For further information about the Council's Committee arrangements please see the FAQ page [here](#)

To Councillors: J Oates, R Pritchard, M Bailey, S Doyle, A Farrell and M Summers.

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MINUTES OF A MEETING OF THE CABINET HELD ON 20th JANUARY 2022

PRESENT: Councillor J Oates (Chair), Councillors M Bailey and S Doyle

The following officers were present: Andrew Barratt (Chief Executive), Stefan Garner (Executive Director Finance), Sarah McGrandle (Assistant Director Operations and Leisure) and Jo Hutchison (Democratic Services, Scrutiny and Elections Officer)

99 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Alex Farrell and Rob Pritchard.

100 MINUTES OF PREVIOUS MEETINGS

The minutes of the meetings held on 2 December 2021 and 16 December 2021 were approved and signed as a correct record.

(Moved by Councillor J Oates and seconded by Councillor M Bailey)

101 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

102 QUESTION TIME:

QUESTIONS FROM MEMBERS OF THE PUBLIC NO. 1 Under Schedule 4, 13, Mr H Loxton asked the Portfolio Holder for Finance and Customer Services, the following question:-

On page 10 of the Draft Budget and Medium Term Financial Strategy 2022/23 included in this evenings meeting it states "Income from the commercial/industrial portfolio has held up during the pandemic, but underlying market issues and the increase in online shopping (increased by the pandemic) mean that there is an immediate risk in relation to the income achievable from the Council's commercial property portfolio including the Ankerside Shopping Centre and NCP car park, while not known at present, could result in a significant loss of income."

While I can understand the NCP car park issue as the council own the land could you please confirm what commercial property is owned by the council in relation to Ankerside shopping centre?

Councillor Bailey gave the following reply:

Thank you, Mr Loxton. Tamworth Borough Council owns the Freehold of Ankerside.

Mr Loxton asked the following Supplementary Question:

If Tamworth Borough Council own the freehold that means that the person in charge of Ankerside leases the building from the Council and the reason I ask the question is (trying to be careful what I say) when people talk about Ankerside and the Council, it always seems to be that Ankerside is nothing to do with the Council and this would seem to suggest otherwise. Obviously if Tamworth Council has the freehold, Tamworth Council would want Ankerside filled as much as possible because if it is doing well that is good for the Council because they have the freehold. It's a bit of a surprise to see that they hold the freehold. Do you think the Council have led the public, or made the public think that they don't have anything to do with Ankerside from what they have said in the past. Thank you.

Councillor Oates responded to the supplementary question:

The freehold owned by Tamworth Borough Council relates to the land that Ankerside stands on. Tamworth Borough Council have no responsibility for the building and no role in the running of the shopping centre or car parks. So the commercial viability and usage of those stores has no impact on the Borough Council's income from the freehold, the Borough Council has no influence on the use of the stores within Ankerside.

103 MATTERS REFERRED TO THE CABINET IN ACCORDANCE WITH THE OVERVIEW AND SCRUTINY PROCEDURE RULES

The Chair confirmed that he would invite the Chair of the Infrastructure Safety & Growth Scrutiny Committee to speak on the Committee's recommendations in relation to the Curtain Wall tender when this item was considered at item 10 on the Agenda.

104 DRAFT BUDGET & MEDIUM TERM FINANCIAL STRATEGY 2022/23

The Report of the Leader of the Council to approve the draft package of budget proposals (attached at Appendix A to the Report) to consult with the Joint Scrutiny Committee (Budget) on 26th January 2022 and receive their feedback on the:

- General Fund Revenue (GF) Budget and Council Tax for 2022/23;
- Housing Revenue Account (HRA) Budget for 2022/23;

- Capital Programme – General Fund & HRA;
- Medium Term Financial Strategy (MTFS).

RESOLVED That:

1. Cabinet approved the draft package of budget proposals including the proposed policy changes (as detailed at Appendix B to the Report); and
2. As required by the Constitution of the Council, the Joint Scrutiny Committee (Budget) on 26th January 2022 be requested to consider the budget proposals contained within this report.

(Moved by Councillor J Oates and seconded by Councillor M Bailey)

105 BUSINESS RATES INCOME FORECAST 2022/23

The Report of the Portfolio Holder for Finance and Customer Services to report and seek endorsement from Members on the Business Rates income forecast for 2022/23.

RESOLVED that:

1. Members approved the Business Rates income forecast for 2022/23 and subsequent NNDR1 form for submission to MHCLG by 31 January 2022, in line with the scheme of delegation.
2. Should material amendments be required to the forecast NNDR1, Cabinet authorised the Executive Director Finance, in consultation with the Leader of the Council, to make such required amendments as necessary; and
3. Members noted discretionary relief granted to qualifying bodies in line with the existing policy.

(Moved by Councillor M Bailey and seconded by Councillor S Doyle)

106 AMINGTON COMMUNITY WOODLAND REVIEW

The Report of the Portfolio Holder for Skills, Planning, Economy & Waste to update Cabinet on changes to the Amington Community Woodland Project – an element of the Amington Golf Course Development Project.

RESOLVED that Cabinet:

1. Approved the amended project name and combine the 2 existing capital budgets (CP2852 and CP2853) to create 1 single project.
2. Approved the revised project budget of £781,500 including the ongoing maintenance fund
3. Approved the revised capital project programme and include the additional funding of £131,510 received creating a total Capital Budget for the project of £581,500.
4. Approved the release of a further £331,510 from the section 106 account to the capital programme to fund the revised capital budget.
5. Approved the release of up to £200,000 from section 106 account to the Revenue Account over the next 10 years to contribute to the maintenance of the area.

(Moved by Councillor J Oates and seconded by Councillor S Doyle)

107 STATEMENT OF COMMON GROUND WITH LICHFIELD DISTRICT COUNCIL (PLANNING)

The Report of the Portfolio Holder for Skills, Planning, Economy & Waste sought delegated authority from Cabinet to allow the Assistant Director Growth and Regeneration to negotiate and agree to a Statement of Common Ground (SoCG) between the Council and Lichfield District Council (LDC) relating to issues surrounding the Lichfield District Local Plan 2040.

RESOLVED that:

1. Cabinet delegated authority to negotiate and sign a Statement of Common Ground with Lichfield District Council to the Assistant Director Growth and Regeneration in consultation with the Portfolio Holder for Skills, Planning, Economy and Waste.

(Moved by Councillor S Doyle and seconded by Councillor J Oates)

108 CURTAIN WALL TENDER

The Report of the Portfolio Holder for Skills, Planning Economy & Waste to seek approval of expenditure above £100k limit from a secured budget for the purpose of completing essential capital works at Tamworth Castle.

The Chair invited the Chair of the Infrastructure Safety & Growth Scrutiny Committee to report to Cabinet following that Committee's consideration of this item at its meeting on 19th January 2022.

The Scrutiny Chair reported that the Infrastructure Safety & Growth Scrutiny Committee had resolved to recommend to Cabinet that:

1. Cabinet instruct that the contracted castle architects act as external quality assurance for the works;
2. previous contractors performance be taken into account in the tender appraisal.

The Portfolio Holder for Skills, Planning Economy & Waste confirmed his support for these recommendations.

Cabinet considered the recommendations in the Report and the Scrutiny Committee's recommendation, and amended recommendation 2 and added a further recommendation.

RESOLVED that:

1. Approval was given to tender to market for the proposed capital works.
2. Consideration was given to allocating £70,000 from the Capital Contingency Budget, in addition to the budget already secured for this project, to allow additional necessary work to take place and to achieve cost savings over time.
3. Approval was given for delegated authority in consultation with the Portfolio Holder to enter into contract with the most competitive tenderer.
4. Cabinet consider a specific contingency for the Castle Curtain Wall of £30,000 to be included in next year's budget preparation.
5. Cabinet instruct that the contracted castle architects act as external quality assurance for the works.
6. Previous contractors performance be taken into account in the tender appraisal.

(Moved by Councillor J Oates and seconded by Councillor S Doyle)

Leader

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17th February 2022

Report of the Chair(s) of the Corporate Scrutiny Committee and Health & Wellbeing Scrutiny Committee

Matters referred to Cabinet in accordance with the Overview and Scrutiny Procedure Rules

Exempt Information

None.

Executive Summary

The following Committees have referred the following matters to Cabinet:

Scrutiny Committee	Title of Matter referred	Date of Scrutiny meeting
Health & Wellbeing Scrutiny Committee	Update from Midlands Partnership Foundation Trust	25.01.2022
Health & Wellbeing Scrutiny Committee	Reset & Recovery	25.01.2022
Corporate Scrutiny Committee	Post Implementation Review My Tamworth Portal	01.02.2022

Purpose

To update Cabinet and to make recommendations to it following consideration of matters by the Scrutiny Committees.

Recommendations

Recommendations from the Health & Wellbeing Scrutiny Committee are as follows:

1. Update from the Midlands Partnership Foundation Trust item

The Committee recommends to Cabinet to consider the feasibility of producing 'wellbeing portal' on Tamworth Borough Council website linked to MPFT Communications Team.

2. Reset & Recovery item

The Committee recommends Cabinet to consider another location other than that of the Assembly Rooms for interim front of house customer services as quickly as possible.

Recommendations from the Corporate Scrutiny Committee are as follows:

Post Implementation Review My Tamworth Portal

The Committee recommends to Cabinet that the Audit & Governance Committee be requested to look at the tendering process used by the Council with a particular regard to the scoring mechanism process and that it report back to Cabinet on its findings.

Options Considered

None.

Report Author

Councillor R Claymore, Chair of the Health & Wellbeing Scrutiny Committee
Councillor S Pritchard, Vice-Chair of the Corporate Scrutiny committee

Appendices

None.

Thursday, 17th February 2022

Report of the Leader of the Council

Quarter Three 2021/22 Performance Report

Exempt Information

None

Purpose

This report provides the Committee with a performance update and financial health-check. This report was considered by Corporate Scrutiny Committee on 1st February 2022.

Recommendations

It is recommended that Cabinet approve that the General Fund budgets be revised to reflect the forecast savings and associated projected net underspend at Quarter 3 of £895k.

Executive Summary

The report contains the following sections:

1. Recovery and Reset Programme Summary,
2. Corporate Projects Summary,
3. General fund – Actual Spend Summary,
4. Universal Credit Summary,
5. Corporate Plan Projects and Corporate Risk Register,
6. Regeneration Project Updates
7. Impact of Welfare Benefit Reform on Council services,
8. Medium Term Financial Strategy monitoring,
9. Financial Health-check

Resource Implications

Financial

In light of the ongoing impact of Covid-19 on the Council's Medium Term Financial Strategy, Managers were again asked to review their budgets and identify all non-essential spending for 2021/22 as part of the quarter 3 projections at 31 December 2021 – as part of a managed underspend plan.

The latest budget review has identified forecast savings & an associated projected net underspend for the General Fund. The projected outturn underspend for the Housing Revenue Account is not a significant variance at £68k. Cabinet are therefore to be asked to approve that the General Fund budget only be revised to reflect the forecast General Fund net underspend at Quarter 3 of £895k.

Human Resources

There are no human resource implications

Legal/Risk Implications Background

There are no legal or risk implications

Equalities Implications

There are no equality implications

Sustainability Implications

There are no sustainability implications

Report Author

Zoe Wolicki – Assistant Director People

Appendices

1. Quarter 3 2021/22 performance report
2. Schroders update 31 December 2021
3. Threadneedle update 31 December 2021
4. Threadneedle quarterly report

Quarter 3 Performance Report

This report contains the following sections:

1. Recovery and Reset Programme Summary
2. Corporate Projects Summary - December 2021
3. General fund – Actual Spend Summary
4. Universal Credit Summary
5. Corporate Plan Projects and Corporate Risk Register
6. Regeneration Project Updates
7. Impact of Welfare Benefit Reform on Council services
8. Medium Term Financial Strategy 2021/22 -2025/26 Monitoring, December 2021
9. Financial Health check – Period 9 December 2021

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Appendices

1. Corporate Project Highlight Reports
2. Corporate Risk Register
- A. Budget Variances
- B. Capital Programme Monitoring
- C. Treasury Management Update
- D. Update from Corporate Scrutiny Committee

1. Recovery and Reset Programme Summary









Recovery & Reset Programme Highlight Report				
Completed by:	Tina Mustafa		Date Complete:	January 2022
Projects	Project Lead	Due Date <i>Taken from Critical Path Milestones (see page 2)</i>	Highlight	
Economic & Regeneration	Anna Miller	16/03/2023	Attendance at Board meeting to present scoping paper on 15th December. Ongoing coordination of additional studies to support MH redevelopment.	
Building Requirements & Utilisation	Paul Weston	30/03/2023	Authorised to proceed with negotiations around new premises, due to appoint agent in January to commence process.	
SMART Working	Zoe Wolicki	29/06/2022	Consultations are progressing well and are running until the 21st January. Final consultations for those that couldn't attend and new starters w.c. 24th January.	
Customer Services Offer (including front of house)	Zoe Wolicki	30/06/2022	Stakeholder engagement plan being finalised ready for presentation to ED and Portfolio holder at the end of January. Digital transformation demos completed. Portal is now live at Phase 1. We have a digital development plan for post live.	
Service Re-design	Tina Mustafa	Phase 1: 31/03/2022	ELT support 3-phased approach following base line assessment 2020/2021. Year 1 around efficiency savings to be built into the budget setting review end of October following ELT review on 220921. Proposals around subsequent years to be aligned to the wider corporate planning process. Interdependency with Corporate Mapping which presents a resource risk.	
Third Sector & Vulnerability	Jo Sands	28/09/2022	Vulnerability and voluntary sector offer being mapped and linked to citizen engagement plan. Directory of services being collated to inform wider service mapping.	
Financial Management & Commerciality	Lynne Pugh	31/03/2022	Commerciality strategy shared and feedback received. This is now under internal review. Budget Scrutiny Meeting to incorporate the provisional financial settlement figures.	
Comms and Engagement	Linda Ram	-	Comms activity and resource plan is being updated Short 1-2-1 update sessions with project leads to be scheduled in the New Year Stakeholder mapping completed for front reception engagement Front reception update document being prepared	

Achievements since last period	Planned Activities for next period
<ul style="list-style-type: none"> SMART Working Consultations are progressing well and are running until the 21st January. Final consultations for those that couldn't attend and new starters w.c. 24th January. Authorised to proceed with negotiations around new premises, due to appoint agent in January to commence process. Budget Scrutiny Meeting to incorporate the provisional financial settlement figures. 	<p>The Gantt chart displays the following activities and their durations:</p> <ul style="list-style-type: none"> SW: Formal Consultation with staff: 20/12/21 - 28/01/22 SW: 1:1 consultation finalisation: 01/02/22 - 28/02/22 R&C: Development of Customer Brochure: 01/10/21 - 18/03/22 BU: Service of notices on tenants: 01/09/21 - 28/01/22 BU: Commence lease negotiations: 01/02/22 - 27/04/22 BU: Identification of ICT requirements for servers: 01/09/21 - 28/02/22 BU: Open discussions with tenants around their intention to move with us.: 06/04/21 - 31/01/22 SRD: Fees and Charges: 01/01/22 - 30/06/23 TS: Citizen Engagement Plan to be aligned to Customer Services Plan: 01/09/21 - 28/02/22 F: External consultant review of HRA costs: 04/01/21 - 28/02/22 R&C: Consultation period: 10/01/22 - 18/03/22 <p>Additional notes: E&R: Final feasibility report 21/01/22</p>
Amber/Red Areas	Risks including Stakeholder Issues
<ul style="list-style-type: none"> Negotiations for new premises potential for multiple landlords to be involved and may not be supportive of our proposals. 	<ul style="list-style-type: none"> As per programme control log and risk management tree
Recovery & Reset Board Issues	Resourcing Requirements
<ul style="list-style-type: none"> Note Quality Assurance Audit in January 2022. 	<ul style="list-style-type: none"> Resourcing funded through COVID LA allocation – current spend on track




Recovery & Reset Critical Path Milestones

Area	Task	Start date	Planned completion date	Status
Programme	ELT approve programme structure	27/01/2021	27/01/2021	Complete
SW	Research stage for SMART Working	04/01/2021	16/06/2021	Complete
Programme	Outline plan to TULG	09/02/2021	09/02/2021	Complete
Programme	R&R Governance consulting group and board starts	22/03/2021	22/03/2021	Complete
Third Sector	Third Sector continued response to pandemic supporting vulnerable people	16/09/2021	14/03/2023	On track
Service Re-design	ELT agree service redesign plan	20/01/2021	20/01/2021	Complete
Programme	July Cabinet decision to agree options	29/07/2021	29/07/2021	Complete
SmartWorking	SW formal Consultation	30/07/2021	21/01/2022	On track
SmartWorking	Appointments and staffing report	14/09/2021	14/09/2021	Complete
Service Re-design	Service Re-design Phase 1 Financial Stability	05/02/2021	31/03/2022	On track
Building Requirements	Begin to look for new premises	31/01/2022	27/04/2022	Not started
Service Re-design	Service Re-design Phase 2 Targeted Service	01/04/2022	31/03/2023	Not started
Econ & Regen	Commence feasibility on Marmion House	26/08/2021	01/04/2022	On track
Finance	Finance start new budget process & include efficiencies	05/07/2021	31/03/2022	On track
SmartWorking	Begin implementation phase of SMART WORKING	01/10/2021	31/03/2022	On track
Reception & Customer	Implementation phase begins for Reception & Customer	01/10/2021	31/03/2022	On track
Third Sector	Third sector deliver commissioning framework	01/04/2022	28/09/2022	Not started
Third Sector	Third Sector: Supplier chosen for Tamworth advice centre	09/01/2022	09/01/2022	Complete
Building Requirements	Possible Earliest Date to move out of Marmion House and into new premises	03/01/2022	31/03/2022	Not started
SmartWorking	SMART Working Go Live	01/04/2022	29/06/2022	Not started
Reception & Customer	Go Live Reception & Customer Meeting rooms	04/04/2022	30/06/2022	Not started
Service Re-design	Service Re-design Phase 3 Root and Branch service review	01/04/2023	31/03/2026	Not started
Building Requirements	Closure of Marmion House	30/03/2023	30/03/2023	Not started

2. Corporate Projects Summary - December 2021

Corporate Project	Due Date	RAG Status	Commentary
Review of Corporate Capital Strategy	31st March 2022		Final non housing asset survey report received with draft asset strategy gap analysis report
Priority Review - Cleaners	TBA (was 30th April 2020)		Implementation phase of the project delayed due to COVID-19. Further review will be required as part of the COVID-19 recovery phase.
Risk Management Strategy	31st Dec 2021		Project now complete
Implement Customer Portal	30 th November 2021		Phase one completed
Organisational Development Strategy	1 Apr 2022		Stakeholder engagement completed Draft plan received for review
Welfare Reform	31st Mar 2022		HQN income management accreditation action plan and service improvement plan refreshed
Leisure Strategy	October 2022		No tender submissions received in November 2021 Tender relaunched closing date 20 th January 2022
Town Centre Programme	31st March 2022		Pre-application submitted for CRF3 for £49k unsuccessful

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RAG Status	Overall Project Status
	Project on track and in control
	Project not on track but in control
	Project not on track

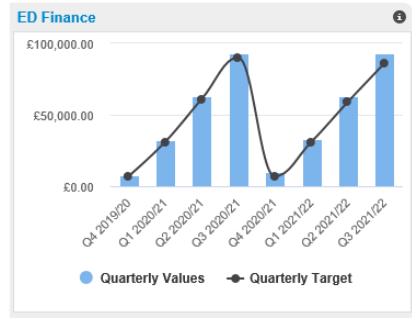
3. General Fund – Actual Spend Summary



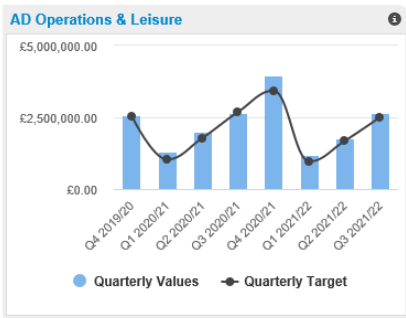
No material variances



No material variances.



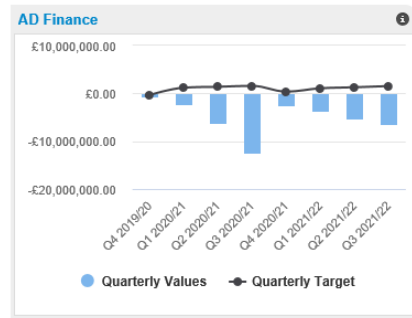
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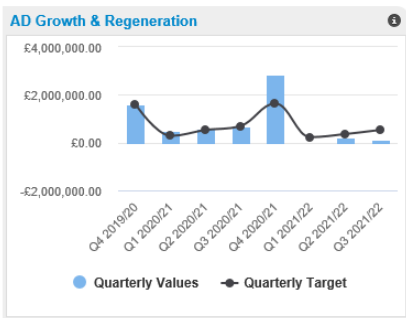
Vacancy allowance & shortfall in Assembly Rooms ticket sales, split profit event income and catering sales



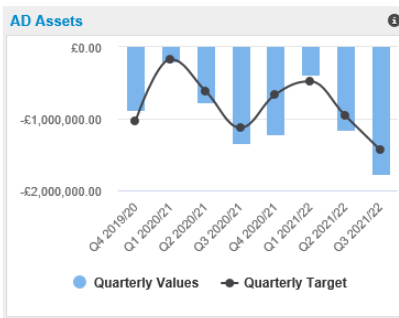
Vacancy allowance & application software costs



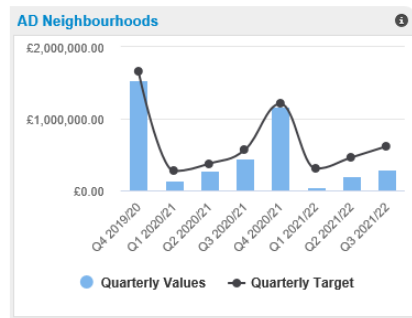
Government grants re Covid 19; unspent general contingency budget; NNDR levy return expected from pool; unspent reserves returned to revenue & additional investment income.



Shortfall in car parking income & street traders licence income



Reduction in bad debt provision plus windfall income & additional rent income



Shortfall in bed & breakfast income

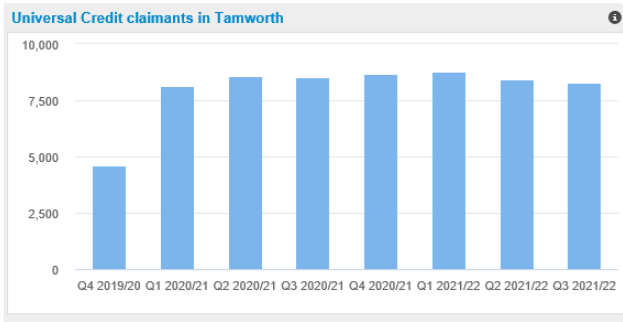


Vacant posts

Key

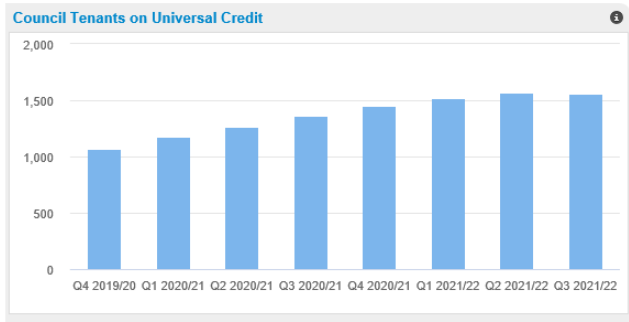
Quarterly Value is the year to date position
 Quarterly Target is the year to date budget

4. Universal Credit Summary



Commentary

There are 8263 universal credit claimants in Tamworth.



Commentary

There are 1556 council tenants on universal credit

5. Corporate Plan Projects and Corporate Risks Register

The Executive Leadership Team identified projects from the Corporate Plan, the monitoring of which would form the basis for this section of the quarterly performance report. Project highlight reports for each of these are included at **Appendix 1**.

Details on the Corporate Risk Register are included at **Appendix 2**

6. Regeneration Project updates

Solway

In the last quarter, the appointment of a new Regeneration officer to post has meant that the Regeneration team have been able to conduct a detailed options appraisal on Solway Close for private sector rental housing development and evaluation of other appropriate options.

An update on the progress made on this work is planned for the Corporate Scrutiny Committee in March 2022. This will include updated options for the site based on latest market demand, costing information, projected returns and assessment of the risks involved.

Future High Street Fund

During 2021/22 Q3: inception with the new multi-disciplinary team McBains has been undertaken. There has been a focus on developing relationships, understanding the project scope and outputs and embedding the new team into the programme, its timetable and the infrastructure that sits beneath the project such as risk management, setting up contact lists, requests for information and action trackers.

Key tasks undertaken include an initial high level costs review and also the delivery of RIBA Stage 1 drawings. Regular design team meetings have been held to meet the Stage 1 milestone at the end of December – this was met.

Work continues on heads of Terms for the various partnerships and acquisitions that are necessary for the project to progress.

Discussions are ongoing to achieve vacant possession of Middle Entry.

A consultation event with town centre businesses was held on the 13 October. This was well attended and provided an opportunity for businesses to ask questions and for the Council to provide feedback. Also established is a monthly drop in session, available on the second Wednesday of the month with FHSF project officers and ED team members at the TEC. These haven been running since December.

Two new FHSF project officers have been appointed and started their positions in November.

Gungate

A red book valuation process has been undertaken with SCC which seeks to evaluate TBC and SCC landholdings on Spinning School Lane North. The outputs of this are available and will inform future discussions.

There have been no further discussions with the police station owners.

Discussions held with Homes England (HE) to assist the Borough Council in unlocking the potential of regeneration sites across the town continues informally between the ED team and HE officers. A number of meetings were held and site visits undertaken to build relationships and scope the potential for regeneration.

Work on a car park demand study is underway, financed by HE, the outputs of which will be available in January. HE have confirmed that they have secured (internally) significant funding to start to investigate the potential of the Spinning School Lane South Gungate site and this is confirmed as their immediate priority.

Amington Local Centre

The ED Team are working up options to determine the best way to market the site for a local centre at the front of the site.

7. Impact of Welfare Benefit Reform on Council services

Quarterly updates are presented to monitor the impact of welfare benefit reform changes on Council services including customer demand via monitoring of calls/contacts together with the financial impact of collection and demand for benefits and effect on income streams such as rent, council tax and business rates.

Benefits

A reduction in the number of Discretionary Housing Payments (DHP) claims is reported - DHP claims paid are £106k (£182k at 31st December 2020) with 167 successful claims from 255 applications (compared to 163 successful claims from 239 applications at 30 December 2020). There is a 2 week backlog (3 weeks as at 31st December 2020) of claims still to be processed.

Local Council Tax Reduction Scheme claims are lower than 2020/21 (5,288 claimants as at 31st December 2021 compared to 5,518 at 31st December 2020) with a total scheme cost of £4.7m (£4.5m in 2020/21).

Discretionary council tax support totalling £18,221.40 has been granted up to 31st December 2021 by working closely with the Citizens Advice Bureau. An additional hardship scheme was in place throughout 2020/21, awarding up to £150 additional council tax support to recipients of less than 100% council tax support. This was in addition to the ongoing discretionary council tax support scheme therefore the total discretionary payments made up to 31st December 2020 was significantly higher, £462,121.45.

Live caseload figures are 230 lower than 2020/21 – currently 5,288 which follows the significant increase to 5,518 by 31st December 2020 resulting from the pandemic (following a reducing annual trend – at March 2020 caseload was 5,374 which was 140 lower than the previous year). The average time taken to process new Housing Benefit/Council Tax Benefit claims and change events was 8 days to December 2021 (8.5 days to December 2020).

Revenues

Due to the pandemic, recovery actions were suspended for Quarters 1-2 of 2020 and so figures are shown in relation to 2019 performance (the first summonses sent in 2020/21 were in November 2020 and there were no enforcement agent referrals until after 31st August 2020).

NNDR

Collection performance is above target - current year collection levels are at 79.4%, above target by 1.2% at 31st December (83.7% as at 31st December 2019). There has been an impact on collection performance from 1st July following the removal of the 100% retail relief though targets have been revised to take this additional charge into account. Court costs are £7k, above the anticipated level of £1.3k.

Reminders (750 at Dec 2021) are at higher levels than 2019/20 levels (553 at Dec 2019) with summons and liability orders also at higher levels than 2019/20. There have been 205 summons and 107 liability orders (compared to 111 and 76 respectively at Dec 2019). There have been 22 enforcement agent referrals to Dec 2021 (41 referrals to Dec 2019) due to the first court hearing for 2021/22 debts being delayed until 29th June as well as a more generous approach adopted for arrangements. HMCS continue to have limited availability for liability order hearings which has led to some delays in initiating action. There has been an increase in cases for 2021/22 as the extended retail relief reduced from 100% to 66% for many businesses from 1st July 2021.

In December 2021 the Department for Levelling Up, Housing & Communities announced funding for an additional relief in respect of 2021/22 business rates, called the COVID-19 Additional Relief Fund (CARF) an amount of £1.6M has been made available for Tamworth Borough Council to grant as rates relief to businesses that have been adversely affected by COVID-19 that have not received relief under the existing rates relief schemes. The scheme is devised locally and has been reported on separately.

Arrears reduction in respect of 2020/21 stands at 43.6% compared to a target of 31.1%, however, while this is improved due to there being more extended arrangements relating to previous years debt due to the pandemic, some businesses in severe difficulties due to the pandemic are paying based on extended arrangements which may not clear their arrears in 2021/22. It is hoped that CARF relief awarded for 2021/22 will allow these businesses more flexibility to address payment of arrears.

Council Tax

Reminders are 8% lower than 2019/20 levels (10,842 at Dec 2021 compared to 11,732 at Dec 2019) with summonses and liability orders at higher levels (3,733 summonses compared to 3,054 to Dec 2019 with 2,620 liability orders compared to 2,424 to Dec 2019). Attachment of earnings and enforcement agent referrals are at lower levels (254 attachments compared to 316 in quarters 1-3 of 2019/20 and 369 referrals compared to 1,440 at Dec 2019).

There remains a backlog in processing of correspondence due to additional workload created by the payment of significant levels of grants and reliefs to local businesses arising from the pandemic. The Revenues Billing Team backlog has reduced from 43 working days at the end of June 2021 to 9 working days at the start of January (5 working days at the start of January 2020).

Current year collection levels at 86.1% are lower than the target of 86.3%, however, this is behind the 2019/20 collection performance of 86.8%. Court cost income is ahead of that anticipated by £66k at £186k. Arrears collection in respect of 2020/21 of 39.7% is slightly behind the target of 41.4%.

As at Dec 2021 there were 1,986 live Council Tax universal credit cases. The collection rate for universal credit cases was 67.7% (of a £691k collectable debit) compared to our overall collection rate of 86.1%. The difference shows universal credit collection approximately £127k behind where it would be if it reflected the overall figures.

Direct Debit take up for live universal credit cases is 26.2% compared to 71.1% overall, while roughly 12% are subject to arrangements compared to an overall figure of 5%. In addition, 1,585 reminders have been sent in respect of the 1,986 universal credit cases (10,138 for 34,065 overall liabilities). 26% of live cases have received a summons for non-payment, compared to a figure of 6% overall.

Housing

Summary information provided below explains the increase in numbers of tenants in receipt of Universal Credit as per 2020/21 and 2021/22.

Tenants in receipt of Universal Credit:

Indicator	Qtr 2 2020/21	Qtr 3 2020/21	Qtr 4 2020/21	Qtr 1 2021/22	Qtr 2 2021/22	Qtr 3 2021/22
Number of Council Tenants on Universal Credit	1,269	1,363	1,449	1519	1571	1556
Number of Council Tenants on Universal Credit in Rent Arrears	877	980	680	954	987	1077
Percentage of Council Tenants on Universal Credit in Rent Arrears	69.1%	71.9%	46.93%	62.8%	62.83%	69.22%
Number of Council Tenants on Universal Credit not in Rent Arrears	392	383	769	565	584	479
Percentage of Council Tenants on Universal Credit not in Rent Arrears	30.9%	28.1%	53.07%	37.2%	37.17%	30.78%

Total **Rent** arrears (excluding former tenants) at 31st December 2021 were £713k compared to £481k at 31 March 2021 – an increase of £232k (compared to a £207k increase as at 31st December 2020).

Total arrears (including former tenant arrears, recharges, court costs and garages etc.) are £2m at 31st December 2021, compared to £1.8m at 31 March 2021, an increase of £217k (compared to a £202k increase between 31 March 2020 and 31st December 2020).

Total arrears (including former tenant arrears, recharges, court costs and garages etc.) were £1.8m at 31 March 2021, compared to £1.84m at 31 March 2020, a reduction of £64k (compared to an increase of £6k between 31 March 2019 and 31 March 2020).

Write Offs

The Assistant Directors and Heads of Service are responsible for the regular review of debts and consider the need for write off and authorise where necessary appropriate write offs in line with the Corporate Credit Policy.

The position for the third quarter of the financial year reported to be reported to Cabinet on 17th February 2021 is shown below.

Type	01/04/21 – 31/12/21
Council Tax	£16,802.40
Business Rates	£4,108.01
Sundry Income	£802.72
Housing Benefit Overpayments	£26,060.27
Housing	£98,508.29

Whilst reported collection rates are marginally ahead of target at the moment, it is too early to know what effect the pandemic will ultimately have on the economy and residents ability to pay in the future. It should also be noted that collection levels for prior year debts have returned close to normal levels.

The pandemic has affected people in a number of ways and many of our residents/customers continue to be financially impacted by the crisis but it should be noted that at present we would not consider the write off of debts unless we have pursued them to the fullest extent (and as a last resort). In cases where extreme hardship has been identified discretionary housing payments and additional council tax reductions have been made as noted elsewhere in this report, as well as writing off accumulated previous year debt.

The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off in accordance with the schemes of delegation prescribed in the Corporate Credit Policy.

The Council views such cases very much as exceptions. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt together with any factors that it feels are relevant to the individual case.

Universal Credit

With regard to the roll out of universal credit, the current indicators show:

Indicator	Qtr 4 2018/19	Qtr 4 2019/20	Qtr 4 2020/21	Qtr 1 2021/22	Qtr 2 2021/22	Qtr 3 2021/22
live caseload figure	5,514	5,374	5,628	5,575	5,465	5,288
Number of Universal Credit claimants in Tamworth	2,682	4,594	8,687	8,788	8,423	8,263
Number of Council Tenants on Universal Credit	645	1,072	1,449	1,519	1,571	1,556
Number of Council Tenants on Universal Credit and in Rent Arrears	443	663	680	954	987	1,077
Percentage of Council Tenants on Universal Credit and in Rent Arrears	68.7%	61.9%	46.9%	62.8%	62.8%	69.2%
Number of Council Tenants on Universal Credit and not in Rent Arrears	202	409	769	565	584	479
Percentage of Council Tenants on Universal Credit and not in Rent Arrears	31.3%	38.2%	53.1%	37.2%	37.2%	30.8%
Number of Council Tax Payers on Universal Credit	745	1,254	1975	2,024	2,010	1,986
Number of Council Tax Payers on Universal Credit and in arrears with Council Tax payments	261	388	263	425	458	507
Percentage of Council Tax Payers on Universal Credit and in arrears with Council Tax payments	35.0%	30.9%	13.3%	21.0%	22.8%	25.5%
Number of Council Tax Payers on Universal Credit and not in arrears with Council Tax payments	484	866	1712	1,599	1,552	1,479
Percentage of Council Tax Payers on Universal Credit and not in arrears with Council Tax payments	65.0%	69.1%	86.7%	79.0%	77.2%	74.5%
Number of Universal Credit claimants nationally	1,736,431	2,933,218	6,038,764	6,010,269	5,836,961	5,731,629
Discretionary Housing Payments made - Year to date	140,303	135,782	171576	28,083	61,532	105,690
Amount of Discretionary Housing Payments made to Universal Credit claimants - Year to date	82,001	102,688	148625	24,317	58,695	92,536

8. Medium Term Financial Strategy 2021/22 -2025/26 Monitoring, December 2021

General Fund

When Council approved the 2021/22 Budget and Medium Term Financial Strategy on 23rd February 2021, the impact of the Covid-19 pandemic on the economy and ultimately the impact for the Council's finances was uncertain - including any lasting effects for individual businesses and their employees. Social distancing measures have continued impacting mainly on the Council's ongoing income receipts.

For two years, the government has only held single-year Spending Reviews, with 2019 being a single year due to the political turbulence around Brexit, and 2020 being a single year, given the COVID-19 pandemic. However, on 7th September 2021, the Chancellor wrote to Secretaries of State to confirm the government's intention to complete a multi-year Spending Review (SR2021), setting revenue and capital budgets for 2022/23 to 2024/25.

As part of the recent Spending Review, no announcement was made about the government's plans for funding reform or a reset of the Business Rates Retention (BRR) system, both of which were originally expected to be implemented in 2019/20, but which have been delayed a number of times.

The 2022/23 local government finance settlement has now been published, for one year only and is based on the Spending Review 2021 (SR21) funding levels. This is the first time since 2015 that, in the context of a multi-year Spending Review, the government has only provided local authorities with a single-year settlement.

No detailed announcements are made on funding reform, though the following statement is made:

Government is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The data used to assess this has not been updated in a number of years, dating from 2013-14 to a large degree, and even as far back as 2000. Over the coming months, we will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes.

As part of this we will look at options to support local authorities through transitional protection. Councils should note the one-off 2022/23 Services Grant provided in the Local Government Finance Settlement in 2022/23 will be excluded from potential transitional protections.

While this means the Council will be able to retain its business rate growth for 2022/23, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2023/24 as, over the coming months, the Government have stated that they will work with the sector before consulting on funding reform.

There is a high risk that these reforms will have a significant effect on the Council's funding level from 2023/24.

It is also the Government's intention to look again at the New Homes Bonus scheme and explore the most effective way to incentivise housing growth. In the longer-term, the Government remains committed to reform and want to take time to work with local authorities to make sure that the approach is right following the planned reviews.

Updated Forecasts

When the last update was prepared after quarter 2, it showed a projected a shortfall of £1.7m by 2024/25 and £9.3m over the 5 years to 2026/27, including the minimum approved level of £0.5m

In light of the ongoing impact of Covid-19 on the Council's Medium Term Financial Strategy, Managers were again asked to review their budgets and identify all non-essential spending for 2021/22 as part of the quarter 3 projections at 31 December 2021 – as part of a managed underspend plan.

As a result, the updated General Fund Draft MTFs forecast at quarter 3 shows that over the 3 year period to 2024/25, there will be balances of £2.7m (compared with the previous forecast shortfall of £1.7m) with a shortfall in balances of £0.9m over the 4 years to 2025/26 increasing to £4.4m in 2026/27 (the shortfall was previously £5.4m over the 4 years to 2025/26 increasing to £9.3m in 2026/27).

Housing Revenue Account (HRA)

With regard to the Housing Revenue Account, a 5 year MTFs was approved by Council including significant investment in meeting future housing needs to sustain the HRA in the longer term.

For the HRA, the projections at Quarter 2 identified HRA balances of £1m over 3 years with a shortfall in balances of £0.6m by 2025/26 and £1.2m over the 5 years to 2026/27, including the minimum approved level of £0.5m.

As a result of the updated HRA Draft MTFs forecast at quarter 3 shows that over the 3 year period to 2024/25, balances of £2.7m will remain (compared with the previous forecast of £1m) with a balances of £2.4m over the 4 years to 2025/26 reducing to £2.3m in 2026/27 (a shortfall in balances was previously forecast at £0.6m over the 4 years to 2025/26 increasing to £1.2m in 2026/27).

Recovery and Reset Programme

In light of the ongoing impact of Covid-19 on the Council's Medium Term Financial Strategy, Managers have again been asked to review their budgets and identify all non-essential spending for 2021/22 as part of the quarter 2 projections at 30 September 2021 – as part of a managed underspend plan.

Cabinet on 22nd October 2020 approved the Recovery and Reset programme which aims to consider how we can tackle the financial challenges facing the council as a result of the coronavirus pandemic. This will include reviewing services, reducing waste demand on services (basically this is any action or step in a process that does not add value to the customer), exploring opportunities for income generation and identifying any further savings.

An update including recommendations for the next steps was approved at Cabinet 29th July 2021 including the continuing work the agreed actions to address the financial position in future years:

1. Financial Management and Commerciality – Seeking to remove historic underspends and adopt an in-service approach to rigorous and controlled spending.
2. Smart Working – Exploration of the business impacts around current levels of home working and what the future is for AGILE working.
3. Building Requirements and Utilisation – Consideration of the best use of all our property assets to ensure the council's resources are focused on front line service delivery.
4. Front Reception and Customer Service Offer – Exploration of customer service models to assess the impact of front reception closing during the pandemic and how acceleration of digitising services can be delivered whilst ensuring our most vulnerable customers retain face to face services.

5. Service Re-design and Review – An organisational wide review of each service to identify short, medium and longer-term opportunities to improve delivery of services central to the council’s core purpose and strategic aims.
6. Third Sector Support and Vulnerability Strategy – Recognising that one of the most positive outcomes to the Pandemic is the overwhelming ability of ‘anchor organisations and communities’ to mobilise and support each other, this project will explore how the Council’s commissioning framework can be aligned to build on these foundations going forward and how we define and develop our vulnerability strategy, building on the baseline assessment commissioned over the summer.
7. Economy and Regeneration - Work has continued on the future of our high street and alongside this the economic recovery and regeneration of Tamworth is central to our future Recovery and Reset.

Together with any opportunities arising from the response to the Covid-19 pandemic, for Member consideration during the budget process.

The overriding goal is to make sure our organisation remains fit for the future, while protecting services to the most vulnerable in our community.

General Fund

	General Fund						
MTFS Projections 2020/21 - 2026/27	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Projected Balances per MTFS Council February 2021	(6,753)	(6,547)	(3,845)	(526)	2,790	6,544	-
Revised Forecasts:							
Revised Forecast Balances - July 2021	(8,003)	(8,013)	(5,172)	(1,792)	1,469	5,169	-
Central Case Forecast Balances - October 2021	(8,003)	(8,630)	(5,309)	(2,086)	1,182	4,855	8,850
Draft MTFS Forecast January 2022	(8,003)	(8,630)	(8,176)	(5,518)	(2,750)	428	3,937

On 20th August 2020, Cabinet approved the budget setting process (& project plan) for 2021/22.

In line with the approved timetable, work on the preparation of the detailed 5 year budget / forecast has progressed in order to inform the Base Budget Forecast for Cabinet on 3rd December.

As a result, the updated General Fund Draft MTFS forecast at quarter 3 shows that over the 3 year period to 2024/25, there will be balances of £2.7m (compared with the previous forecast shortfall of £1.7m) with a shortfall in balances of £0.9m over the 4 years to 2025/26 increasing to £4.4m in 2026/27 (the shortfall was previously £5.4m over the 4 years to 2025/26 increasing to £9.3m in 2026/27).

Further savings of around £0.9m p.a. will be required over the next 5 years (based on annual £5 increases in Council Tax). On an annualised basis this would equate to a year on year ongoing saving of £0.3m over 5 years.

The forecast has been updated to include:

Proposed Change:	Budget Impact
<i>Savings / increased income</i>	
Recovery and Reset Phase 1 savings	£(2.88)m over 5 years
Continued Revenue Support grant	£(195)k for 2022/23 only
Continued Lower Tier grant	£(105)k for 2022/23 only
New one off Services grant	£(161)k for 2022/23 only
Updated NHB grant notification following confirmation of 2022/23	£(704)k for 2022/23 only
Impact of LGFS – reduced tariff	£(2.113)m for 2022/23 only
Taxbase – additional 1 property	£(1)k over 5 years
<i>Additional costs / reduced income</i>	
Business Rates Levy – 50% of retained business rates growth	£1,087k for 2022/23 only
Capital programme – revenue costs	£26k over 5 years
Increased vehicle costs budget following tender	£20k p.a. from year 2 (£71k over 5 years)
Updated recharges	£6k p.a.
Inflationary impact of policy changes	£3k p.a. year on year (£33k over 5 years)

The forecast business rates (and surplus/deficit from previous years) for 2022/23 and council tax collection fund surplus / deficit will be finalised by 31st January to inform preceptors (& the final MTFS). Given the uncertainty (and the impact of the pandemic) no income from the returned levy in 2022/23 (of up to c.£0.5m) has been assumed from the Staffordshire business rates pool.

No change to the budgeted pay award provision in 2021/22 has been made at this stage – pending confirmation or otherwise of the 1.75%.

Balances also held within earmarked reserves for Transformation and Business rates retention will also be available to support the budget and MTFS.

Housing Revenue Account

	Housing Revenue Account						
MTFS Projections 2020/21 - 2026/27	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Projected Balances per MTFS Council February 2021	(4,866)	(4,523)	(3,160)	(3,069)	(2,790)	(2,665)	-
Revised Forecasts:							
Revised Forecast Balances - July 2021	(5,610)	(5,257)	(3,921)	(3,859)	(3,609)	(3,512)	-
Revised Forecast Balances - October 2021	(5,610)	(5,581)	(3,152)	(2,178)	(1,046)	88	661
Draft MTFS Forecast January 2022	(5,610)	(5,581)	(3,650)	(3,160)	(2,705)	(2,414)	(2,325)

As a result of the updated HRA Draft MTFS forecast at quarter 3 shows that over the 3 year period to 2024/25, balances of £2.7m will remain (compared with the previous forecast of £1m) with a balances of £2.4m over the 4 years to 2025/26 reducing to £2.3m in 2026/27 (a shortfall in balances was previously forecast at £0.6m over the 4 years to 2025/26 increasing to £1.2m in 2026/27).

The forecast has been updated to include:

Proposed Change:	Budget Impact
<i>Savings / increased income</i>	
Reduction in forecast Repairs cost pressure increase	£(611)k p.a.
Reduced vehicle costs	£(12)k p.a. (following £(17)k in 2022/23)
Revised recharges	£(99)k p.a.
Additional costs / reduced income	
Impact of Recovery and Reset Phase 1 – revised recharge from GF	£230k for 2 years then £30k p.a. (£545k over 5 years)
Inflationary impact of policy changes	£8k p.a. year on year (£81k over 5 years)

9. Financial Health check – Period 9 December 2021

Executive Summary

This section to the report summarises the main issues identified at the end of December 2021.

General Fund

Revenue

GENERAL FUND	YTD Budget £000	YTD Position £000	YTD Variance £000	Memo: Period 8 YTD Variance	Full Year Budget £000	Predicted Outturn £000	Outturn Variance £000	Memo: Period 8 Outturn Variance	Comment
Chief Executive	1,442	1,411	(31)	(21)	1,575	1,569	(6)	(5)	No material variances
AD Growth & Regeneration	531	139	(392)	(397)	1,339	1,383	44	(13)	Shortfall in car parking income & street traders licence income
ED Organisation	510	457	(53)	(61)	470	466	(4)	(5)	No material variances
AD People	2,066	2,065	(1)	33	226	329	103	69	Vacancy allowance & application software costs
AD Operations & Leisure	2,511	2,646	135	198	3,141	3,539	398	337	Vacancy allowance & shortfall in Assembly Rooms ticket sales, split profit event income and catering sales
ED Finance	86	93	7	6	-	9	9	9	No material variances
AD Finance	1,537	(6,461)	(7,998)	(7,392)	(7,738)	(9,052)	(1,314)	(1,302)	Government grants re Covid 19; unspent general contingency budget; NNDR levy return expected from pool; unspent reserves returned to revenue & additional investment income
AD Assets	(1,435)	(1,773)	(338)	(264)	(878)	(1,060)	(182)	(182)	Reduction in bad debt provision plus windfall income & additional rent income
AD Neighbourhoods	617	299	(318)	(247)	1,143	1,188	45	59	Shortfall in bed & breakfast income
AD Partnerships	651	553	(98)	(90)	981	993	12	(17)	Vacant posts
Total	8,516	(571)	(9,087)	(8,235)	259	(636)	(895)	(1,050)	

The General Fund has a favourable variance against budget at Period 9 of £9.087m (£8.235m as at Period 8 - increase of £852k). The projected full year position identifies a favourable variance against budget of £895k (£1.05m as at Period 8 - a decrease of £155k). The year to date (YTD) position includes significant grant funding associated with additional Business Rates Reliefs and other underspends of £3.128m which will be transferred to reserves at year end, subject to review and confirmation.

This projection has highlighted several budget areas for concern (detailed at **APPENDIX A**).

A balance of £169k was held in the General Contingency Budget at the end of December 2021 which, as part of the non-essential 'managed underspend' review, is forecast will not be required at present.

Capital

GENERAL FUND	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000
Chief Executive	-	-	-	-	95	95	-	-	95
AD Growth & Regeneration	1,526	11,919	538	(11,381)	15,384	4,097	(11,287)	11,260	15,357
AD People	151	231	153	(78)	253	206	(47)	44	250
AD Operations & Leisure	669	1,056	450	(606)	1,180	532	(648)	648	1,180
AD Finance	12,131	12,131	4,083	(8,048)	12,131	4,083	(8,048)	4,000	8,083
AD Assets	817	1,360	804	(556)	1,542	967	(575)	500	1,467
AD Neighbourhoods	-	34	46	11	46	46	-	-	46
AD Partnerships	-	-	-	-	-	-	-	-	-
GF Contingency	255	240	-	(240)	240	-	(240)	240	240
TOTAL GENERAL FUND	15,548	26,972	6,074	(20,898)	30,870	10,025	(20,844)	16,692	26,718

Capital expenditure incurred was £6.074m compared to a profiled budget of £26.972m (£6.064m compared to a profiled budget of £25.689m at Period 8). It is predicted that £10.025m will be spent by the year-end compared to a full year budget of £30.870m, including re-profiled schemes from 2020/21 of £15.548m (£11.13m projection compared to a full year budget of £30.87m at Period 8 – a further £530k underspend and increased slippage has been reported on various AD Operations & Leisure capital schemes; and £500k on Disabled Facilities Grants).

Re-profiling of budgets into 2022/23 is forecast at £16.692m (£15.585m as at Period 8 - increase of £1.107m), including £9.8m FHSF schemes and £4m Solway Ltd.

A summary of Capital expenditure is shown at **APPENDIX B**.

Treasury Management

At the end of December 2021 the Authority had £72.187m invested in the money markets. The average rate of return on these investments is 0.24% though this may change if market conditions ease (0.75% when combined with property funds).

The Authority also has property fund investments of £1.849m with Schroders UK Real Estate Fund, £6.057m with Threadneedle Property Unit Trust, and £4.056m with Hermes Federated Property Unit Trust. The year to date returns on the property fund investments are 3.26% for Schroders and 3.82% for Threadneedle (3.90% is anticipated for Hermes).

Borrowing by the Authority stood at £63.060m at the end of December 2021, all being long term loans from the Treasury Public Works Loans Board. The average rate payable on these borrowings equates to 4.65%.

A more detailed summary of the Treasury Management situation, detailing our current Lending and Borrowings can be found at **APPENDIX C**.

Balances

Balances on General Fund are projected to be in the region of £8.691m at the year-end from normal revenue operations (£8.846m as at Period 8) compared to £8.630m projected within the 2022/23 Draft MTFs report– additional balances of £61k.

Housing Revenue Account (HRA)

Revenue

HOUSING REVENUE ACCOUNT	YTD Budget £000	YTD Position £000	YTD Variance £000	Memo: Period 8 YTD Variance	Budget £000	Predicted Outturn £000	Outturn Variance £000	Memo: Period 8 Outturn Variance
HRA Summary	(14,450)	(14,520)	(70)	-	(9,363)	(9,430)	(67)	(8)
ED Communities	87	109	22	4	-	9	9	9
AD Operations & Leisure	90	114	24	16	145	198	53	64
AD People	123	101	(22)	(21)	-	(20)	(20)	(20)
AD Assets	584	595	11	6	405	441	36	38
AD Neighbourhoods	1,299	1,171	(128)	(119)	3,365	3,420	55	46
Housing Repairs	4,104	3,215	(889)	(708)	5,792	5,658	(134)	(500)
Total	(8,163)	(9,215)	(1,052)	(822)	344	276	(68)	(371)

The HRA has a favourable variance against budget at Period 9 of £1.052m (£822k favourable as at Period 8).

The projected full year position identifies a favourable variance against budget of £68k (£371k favourable as at Period 8). Individual significant budget areas reflecting the variance are detailed at **APPENDIX A**.

Capital

HOUSING REVENUE ACCOUNT	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000
AD Assets	11,897	18,993	9,236	(9,757)	21,358	10,488	(10,870)	10,173	20,660
HRA Contingency	100	100	-	(100)	100	100	-	-	100
TOTAL HOUSING REVENUE ACCOUNT	11,997	19,093	9,236	(9,857)	21,458	10,588	(10,870)	10,173	20,760

Housing Capital expenditure of £9.236m has been incurred as at the end of Period 9 compared to a profiled budget of £19.093m (£9.792m compared to a profiled budget of £18.304m at Period 8).

It is predicted that £10.588m will be spent by the year-end compared to the full year budget of £21.458m (including £11.997m re-profiled from 2020/21) (£12.493m projection compared to a full year budget of £21.458m as at Period 8 – additional underspends are reported this month across a number of schemes, including £577k Neighbourhood Regeneration, £495k Disabled Facilities Adaptations and a further £500k on Regeneration & Affordable Housing).

Re-profiling of budgets into 2022/23 is forecast at £10.173m (£8.409m as at Period 8), including £5.5m for the Regeneration and Affordable Housing development at Wilnecote, £1.5m for the Caledonian Depot New Build scheme, £1.4m for Replacement High Rise Soil Stacks and £495k Disable Facilities Adaptations.

A summary of Capital expenditure is shown at **APPENDIX B.**

Balances

Balances on the Housing Revenue Account are projected to be in the region of £5.336m at the year-end (£5.639m as at Period 8) compared to £5.581m projected within the 2022/23 budget report – reduced balances of £245k.

Corporate Project Highlight Reports

Net Zero Carbon - Monthly ELT project highlight report

Project due date	2050
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	Yes
2. Not on track but in control	
1. Not on track	
Month & Year of update	December 2021

(Traffic light - red, amber, green based on progress to date)

Workstreams	Due date	Lead	Workstream RAG status
<p>The following workstreams and targets were approved at Cabinet on the 18 February 2021:</p> <p>STEP 1: Commission a study and research paper to provide the following initial requirements:</p> <ul style="list-style-type: none"> a) Identify TBC's Carbon baseline b) Deliver against bullet points 2, 3 and 4 from the November 2019 climate change declaration recommendations namely to: <ul style="list-style-type: none"> o Provide an approach to ensure that political and chief officer leadership teams embed the climate change agenda into all areas and take responsibility for reducing where practicable, as rapidly as possible, the carbon emissions resulting from the Council's activities; o Provide an approach that enables The Council (including the Executive and Scrutiny Committees) to consider the impact of climate change and the environment when adopting and reviewing Council policies and strategies; and o Provide supporting information regarding the level of investment in the fossil fuel industry that any of our investments have to facilitate a report to the relevant scrutiny committee; <ul style="list-style-type: none"> • Preparation of tender underway • Tender Live • Appointment of consultant • Draft report to be available by the end of 21/22 corporate year. • Cabinet/ISAG 	<p>Comp. by the end of 2021/2022</p> <p>July 21 September 21 October 21 Spring 22</p>	<p>AM</p>	
<p>STEP 2: Focussed research to:</p> <ul style="list-style-type: none"> a) establish the feasibility of the solution(s) b) Provide a cost/benefit analysis assessing financial implications along with the effectiveness of potential solutions to inform future investment strategies. 	<p>2023/2024 (subject to review)</p>	<p>AM</p>	

- c) A timeline of how the Council will achieve its net-zero carbon status by 2050 indicating key decision milestones necessary to achieve Government Targets;
- d) Deliver against bullet points 1, 5 and 6 from the November 2019 climate change declaration recommendations namely to:
 - o Make the Council's activities net zero carbon by 2050 with an aspiration to achieve 2030 should the council be financially able to do so
 - o Provide supporting information that will assist with future budget cycles and the investment strategy to take into account the actions the council will take to address this emergency.

Key milestones achieved	Date milestone achieved
Cabinet approved the use of contingency money and appointment of specialist consultants for Step 1.	February 2021

Potential issues (Include any current or upcoming issues which require action)

Decisions needed (Include any decisions required from ELT)

Financial monitoring update

Other comments
Appointed consultants are Aether. Presentation to CMT in December 2021.

Town Centre Programme - Monthly ELT project highlight report

Project due date	31 st March 2022
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	Yes
2. Not on track but in control	
1. Not on track	
Month & Year of update	Dec 2021

(Traffic light - red, amber, green based on progress to date)

Workstreams	Due date	Lead	Workstream RAG status
Town Centre Strategy	2021/22	MF	
Gungate Masterplan	2020/21	DH	
TIC		ZW	
Place Investment Strategy	2021/22	MF	
Car Parking Strategy	2021/22	MF	
Market re-tender	2020/21	MF	
Communications and Engagement		ZW	
Town Centre Funding Applications	Ongoing	MF	
Future High Streets Fund	Sep 2020	AM	

Key milestones achieved	Date milestone achieved
<p>Town Centre Strategy</p> <p>The FHSF bid which has been in preparation since January 2019 has in part provided the strategy. The RHSS and LGA work coupled with the reset and recovery inclusive growth strategy will assist in delivery of the rest. The FHSF included a town centre masterplan which formed part of the bid submission.</p> <p>Awaiting £14K LGA money received – work to be concluded July 2021 £67K RHSS money received - work to be concluded February 2021 Awaiting SEP money from GBSLEP – work to be concluded March 2022 – not successful £67K Welcome back funding – business case submitted to government May 2021 - successful.</p> <p>Awaiting Corporate town centre vision. Working up package of town centre support to assist in delivery.</p>	Not achieved in the form envisaged.
<p>Gungate Masterplan</p> <p>Masterplan completed</p>	OCTOBER 2019

<ul style="list-style-type: none"> Member consultation completed. <p>Delay to public consultation for three reasons 1) workload diverted towards Gungate land assembly (PCC, SCC, Buzz Bingo and Atik) 2) workload diverted towards private sector engagement and potential sig. interest from McCarthy and Stone and 3) need to address concerns that Masterplan duplicates FHSF submission particularly around college/Covid 19 has led to re-thinking of the end uses.</p> <ul style="list-style-type: none"> Minor amends to Masterplan underway. Public consultation. <p>Public Consultation completed February 28 2021.</p> <p>Consultation findings presented to ISAG on 25th March and a way forwards set out in a Cabinet report on the 8th April.</p>	<p>June/July 2020</p> <p>Dec/Jan February 2021</p> <p>March/April</p>
<p>Place Investment Strategy</p> <ul style="list-style-type: none"> Place Investment Strategy Completed in draft Awaiting consultation 	<p>APRIL 2019</p>
<p>Car Parking Strategy</p> <ul style="list-style-type: none"> Benchmarking and baseline exercise completed. Further handover meeting with JS. <p>Since the handover of this service in April 2020 the focus has been on understanding the data that underpins the service including the need to address immediate car parking issues around the infrastructure.</p> <ul style="list-style-type: none"> Policy change submitted to renew car parking infrastructure. Approved in principle for £50K. Task and Finish Group established. Preparation of tender. Tender out to market to replace car parking machines. 3 Tenders received Award of Tender <p>Also agreed at Cabinet – to review fees and charges following 6 months of the new machines in situ – to derive a pricing strategy – workload will fall into 2022/23.</p> <p>Machine install</p> <p>Car park demand study underway with Homes England to further support regeneration initiatives.</p>	<p>September 2020</p> <p>October 2020</p> <p>October 2020 December 2020 February 2021 May 2021 June 2021 September Cabinet</p> <p>Jan 2022</p> <p>Draft in January</p>
<p>Market re-tender</p> <ul style="list-style-type: none"> Tender prepared and with procurement. Tender published. Contract awarded to LSD Promotions, the incumbent market operator. 	<p>October 2020 March 2021 Contract started Mid May.</p>
<p>Town Centre Funding Applications</p> <ul style="list-style-type: none"> FHSF: £21,652,555. To structurally transform the town centre through three distinct projects. ACHIEVED RHSS funding: £67,455. To re-open the high street and specifically to prepare a town centre action plan. ACHIEVED 	<p>Dec 2020</p> <p>May 2020</p>

<ul style="list-style-type: none"> • Cultural Recovery Fund (Castle): £250K. Castle Team delivering various digital and online improvements to castle activities. ACHIEVED • Cultural Recovery Fund (Assembly rooms): £126,150 ACHIEVED • LGA funding: £14,000. To better understand 1) barriers to innovation and evolution of small and new businesses in the town centre and 2) empowerment of businesses to drive town centre improvements. ACHIEVED • Bid to GBSLEP: £60K for delivery of an inclusive growth strategy to deliver reset and recovery. This is Borough-wide and not TC focused but will include the town centre. Not Successful • Cultural Recovery Fund (Castle): £125K ACHIEVED will support costs and also deliver improvement to support the visitor experience. • Pre-application form submitted for CRF 3 £49K unsuccessful 	<p>Nov 2020</p> <p>Nov 2020</p> <p>Announcement Jan 2021</p> <p>Announcement expected December 2020.</p> <p>March 2021.</p> <p>Oct 2021</p>
<p>Future High Streets Fund</p> <ul style="list-style-type: none"> • Full Business Case sign off and submission to MHCLG • Clarifications around calculations requested by MHCLG and submitted (for all bidders). • Successful award made. 	<p>Council 21 July October 2020 December 2020</p>

<p>Potential issues (Include any current or upcoming issues which require action)</p>
<p></p>

<p>Decisions needed (Include any decisions required from ELT)</p>
<p>Consideration be given that any underspend in Town Centre programme budget is retained to support FHSF and other relevant TC activities.</p>

<p>Financial monitoring update</p>
<ul style="list-style-type: none"> • Retained fund TC programme budget: approx. £117,000.00

Other comments

- Legal services to support regeneration work procured.

Welfare Reform - Monthly ELT project highlight report

Project due date	End March 2022
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	✓
2. Not on track but in control	
1. Not on track	
Month & Year of update	Jan 22

(Traffic light - red, amber, green based on progress to date)			
Workstreams	Due date	Lead	Workstream RAG status
Establish Corporate Project group – workstreams mapped as below <ul style="list-style-type: none"> Bi monthly meeting planner sent out for all meetings throughout 2021 		LB	Completed
Transition of Former Tenant Arrears to Mike Buckland's Team in Finance <ul style="list-style-type: none"> Post holder in place from end of September 2021 Management of housekeeping/write offs in addition to former arrears recovery Bi monthly review meetings to track progress and to report on performance 		MB/LP	Completed
Development of a corporate `Welfare Reform Customer Insight, Impact & Performance Data Intelligence` <ul style="list-style-type: none"> Data on all types of welfare benefits across all applicable council departs including UC, HB, DHP, Under Occupation, Council tax reduction, Working tax credit, child tax credit , PIP, benefit cap, state pension, referrals/third sector etc. Customer Experience – capturing customers intelligence; financial hardship, CRM targeting, mosaic data Rents Team – end of financial year rent arrears report & welfare reform impact data Benefits & Council Tax – end of year report for Housing Benefit & Council Tax 	Ongoing	ALL	Completed
To identify third sector commission opportunities and update group monthly <ul style="list-style-type: none"> Personal budgeting/resident support opportunities with County Describe/train/promote on service offer and referrals Opportunities for commissioning – what's offered now and in planning 	Ongoing	KC	Completed
HQN Income Management Accreditation & Annual Workplan <ul style="list-style-type: none"> Refreshing accreditation action plan and service improvement plan informed by HQN ongoing health check commencing April 2021 Delivery of annual Income Management Workplan 2021/22 	November 2021	LB/LL/JC	Completed
Development Corporate Debt Strategy including external supported to be procured Dec 2021 <ul style="list-style-type: none"> Quick quote specification to be completed and published on Intend Feb 22 First draft Corporate Debt Strategy anticipated Spring 2022 	Feb 22	TMM/ALL	On track

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Key milestones achieved	Date milestone achieved
Corporate Project Group established	Bi monthly meetings
Key work-streams identified linked to team work plans	Workplans refreshed at the beginning of each new financial year
Policy change agreed to facilitate FTA transfer to MB's team Debt management group established Good housekeeping underway on former arrears and debt recover	Completed Sep 2021
Invitation to quote for the Corporate Debt Strategy drafted and ready to go out on intend Nov 2021	Completed Oct 2021
Third Sector Commissioning; TAC, retendering closing date 25/10/21 Bet the Cold, Winter Relief – funding available and teams trained on how to make referrals. TAM CAM, 84 Families who receive free school meals now identified to have breakfast with Santa Heart of Tamworth, Christmas Day hot meals HomeStart, Christmas present funding Foodbanks & Scared Heart food shop HomeStart, furniture offer	Ongoing
HQN Rent Accreditation submission of evidence prior to final assessment completed & accreditation successfully awarded December 2022	December 2021
Targeted intelligence data gathering of customer insight (financial hardship) at first point of contact now developed and underway	September 2021

Potential issues (Include any current or upcoming issues which require action)
<ul style="list-style-type: none"> Please refer to risk assessment – to be discussed at each project group meeting

Decisions needed (Include any decisions required from ELT)

Financial update

The government may be issuing additional funding for families that are financial struggling – Chris Roe to give an update at the next meeting.

Other comments

Group agreed to invite key speakers to each bi monthly meeting; with the aim of sharing valuable updates on key services in Tamworth which can support our customers with multiple debts and/or facing financial difficulties.

Corporate Capital Strategy - Monthly ELT project highlight report

Project due date	31 st March 2022
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	✓
2. Not on track but in control	
1. Not on track	
Month & Year of update	December 2021

(Traffic light - red, amber, green based on progress to date)

Workstreams	Due date	Lead	Workstream RAG status
MTFS to include consideration of Capital Expenditure	October 2019	LP	
Monthly Capital Monitoring Reports	From June 2019	LP	
Review Capital Appraisal Process	October 2019	LP	
Review Asset Management Strategy – incorporating revised Stock Condition Survey	October 2022	PW	
Review of Building Repairs Fund (BRF) and planned approach to be developed	August 2022	PW / LP	
Review of Commercial Property – monitoring of performance to be established	August 2022	PW / LP	

Key milestones achieved	Date milestone achieved
Capital Strategy included with Budget and MTFS presented to Cabinet 24 th January 2019 and Joint Scrutiny Cttee 30 th January 2019	January 2019
Feedback received from Link Asset Services and subsequent amendments/updates made to strategy 2019/20	2019/20
ASSG meetings scheduled 1/4ly in diaries starting 28/03/19 – and resumed September 2020 following cancellations due to Covid 19	
ASSG on 26/09/19 reviewed progress for Agreed Capital Programme; considered and agreed report on “Whole Life Costing” and reviewed progress on Capital Strategy Action Plan	September 2019
Draft Capital Budgets for 2020/21 onwards considered by CMT 16/10/19	
Draft Capital Budgets for 2020/21 onwards included in base budget report to Cabinet 28/11/19	November 2019
Initial assessment/baseline position for monitoring BRF and Commercial Property established December 2019	December 2019
2020/21 Draft Capital Strategy included with Budget and MTFS presented to Cabinet 22 nd January 2020 and Joint Scrutiny Cttee 29 th January 2020	January 2020
2020/21 Final Capital Strategy included with Corporate Vision, Priorities Plan, Budget & MTFS 2020/21 approved by Cabinet 20 th February 2020 and Council 25 th February 2020	February 2020
2021/22 Final Capital Strategy included with Corporate Vision, Priorities Plan, Budget & MTFS 2021/22 approved by Cabinet 18 th February 2021 and Council 23 rd February 2021	February 2021
Final Non-Housing Asset Survey report received following work completed by Michael Dyson Ltd, with draft Asset Strategy gap analysis report	December 2021

Potential issues (Include any current or upcoming issues which require action)

- It was recognised that a detailed capital strategy meeting all the requirements of the Prudential Code/MHCLG guidance would not be fully completed by the time of initial reporting in Feb 2019, however, an action plan to achieve this with specific timescales is in place, and an updated capital strategy has been reported with the MTFS in Feb 2020 and in Feb 2021.

Decisions needed (Include any decisions required from ELT)

- None at this stage

Financial monitoring update

- £3.5k re Link Asset Services capital strategy support and guidance funded from BRF PM0594 B0101 (2019/20)
- Costs of asset management plan update/condition survey identified (policy change included with MTFS).

Other comments

Timescales revisited and project now on track and in control.

Workstreams originally due to be completed March 2021 were pushed back due to Covid 19 restrictions impacting on stock condition survey and asset management plan. Survey work has now been completed by Michael Dyson and an Asset Strategy gap analysis report produced. The results of the costed surveys will inform the asset management strategy; the review of the BRF and development of a planned approach; and review of commercial property and performance monitoring to be established – completed in part but further work needed. The timescales for these workstreams have been pushed back to align with the Capital strategy updated for inclusion with in the 2022/23 MTFS and budget report.

Organisational Development Strategy - Monthly ELT project highlight report

Project due date	1 April 2022
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	✓
2. Not on track but in control	
1. Not on track	
Month & Year of update	December 2021

(Traffic light - red, amber, green based on progress to date)

Work streams	Due date	Lead	Workstream RAG status
Project restarted June 2020			
The service redesign element of the recovery and reset programme will have major impact on the Organisational Development Strategy. Due to current capacity consultant support will be procured to support the development of the OD Strategy, consultant to be appointed by end September 2021	September 2021	AG/ ZW	
Development phase October – December 2021	December 2021		
Consultation (employee focus group, HOS, TULG, ELT, CMT, Portfolio Holder)	January/ February 2022	AG/ ZW	
Approval of Strategy by Cabinet	March 2022	AG/ ZW	
Action Plan commence and manage via pentana	April 2022	AG/ ZW	

Key milestones achieved	Date milestone achieved
Quotes evaluated – preferred supplier identified – IODA	December 2019
Preferred supplier advised of contract award and suggested delay due to COVID-19	February 2020
Feedback provided for the unsuccessful suppliers	March 2020
No challenges received from the unsuccessful suppliers	March 2020
Initial scoping meeting held with Ioda	May 2020
Scoping sessions held with CMT, Heads of Service and some Line Managers	June 2020
Programme Developed and approved to be delivered virtually	September 2020
Delivery commenced	December 2020
Programme comprises 7 cohorts with 73 delegates All 7 module 1 completed 3 module 2 completed	January 2021

360 feedback questionnaire completed for cohort 1 – 3	
4 cohorts completed module 2 360 degree feedback questionnaire completed for cohort 4-7 121 coaching completed for cohort 1-3	February 2021
Cohorts 1-5 have completed Modules 1-3 Cohorts 6 and 7 have completed Modules 1 & 2	March 2021
All cohorts (cohort 1-7) completed Modules 1-3. Cohorts 1 and 2 have completed Module 4.	April 2021
All cohorts (cohort 1-7 completed Module 1-3. Cohorts 1 – 5 have completed Module 4	May 2021
All training has been delivered. 121 coaching for CMT and Heads of Service scheduled for November 2021	July 2021
External consultant appointed to produce the OD & People Strategy. Consultant has commenced reading relevant corporate documents as background reading.	September 2021
External consultant conducted stakeholder engagement meetings with ELT, CMT representatives and Assistant Director direct reports.	October 2021
External consultant has completed reading relevant corporate documents and facilitated an engagement workshop with the HR team.	November 2021
Draft People and Organisational Development Strategy and Action Plan received for review	December 2021

Potential issues (Include any current or upcoming issues which require action)
No issues identified.

Decisions needed (Include any decisions required from ELT)
None.

Financial monitoring update
Cost of programme met by allocated budgets

Other comments

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Implement Customer Portal - Monthly ELT project highlight report

Project due date	30 th November 2021
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	
2. Not on track but in control	Yes
1. Not on track	
Month & Year of update	December 2021

(Traffic light - red, amber, green based on progress to date)

Workstreams	Due date	Lead	Workstream RAG status
CRM Activity <ul style="list-style-type: none"> Single Person Discount Process User Acceptance Completed by CST <ul style="list-style-type: none"> Revenues – tested 	COMPLETE	JSh	
Dependency – Digital360 v29 Upgrade <ul style="list-style-type: none"> Acceptance is a pre-requisite of Portal Go Live <ul style="list-style-type: none"> Testing – <ul style="list-style-type: none"> Housing completed – Issues reported to Civica for resolution Planning – testing completed Benefits –testing completed Revenues – testing completed CST – testing completed as far as possible 	COMPLETE	JSh	
Portal – Portal 360 TBC controlled work <ul style="list-style-type: none"> SPD Portal process UAT to be completed at Phase 2 – see below New Civica Project Manager – Project completion plan written and received <ul style="list-style-type: none"> Re-written to reflect Portal Go Live in Stages <ul style="list-style-type: none"> Stage 1 – Basic Portal <ul style="list-style-type: none"> Register and authenticate email and Ctax account Raise Report it Service Request Raise Complaint Basic Council Tax Viewers Stage 2 – Complete Processes <ul style="list-style-type: none"> - complaint tray revisions - all Council Tax Viewers - Single Person Discount - Moves Processes 	30/01/2022	Jsh	

Portal – Portal 360 Civica controlled work <ul style="list-style-type: none"> • Pay360 process to be put into Portal <ul style="list-style-type: none"> • Require support from Capita • All Council Tax Viewers • My Requests tracker • Academy Web Services in Portal <ul style="list-style-type: none"> • Require support from Capita • Issues forwarded on to Capita for support • Complaints in portal testing corrections 	30/01/2022	WB (Civica)	
Knowledge Transfer <ul style="list-style-type: none"> • All sessions delivered • Self-sufficiency achieved in process building • One day training owed to TBC and banked for 2022 	COMPLETE	JSh	

Key milestones achieved	Date milestone achieved
<ul style="list-style-type: none"> • Test Portal created and skinned to fit in with Tamworth.gov.uk website • Knowledge Transfer Session – System Admin • Knowledge Transfer Session – Single Person Discount - Process Mapping & Customer Journey – delivered 22/01/2020 • System Admin – Build Elements w/c 3rd Feb • Customer Journey Build w/c 24th Feb • Portal user authentication completed • Outstanding documentation ratified and delivered back to Civica • Move Process go Live • Final Single Person Discount process build sessions delivered • Address synchronisation implemented • Final knowledge transfer session delivered • Address synchronisation between Local Land and Property Gazetteer process implemented • Single Person Discount user acceptance testing started • Capita provide technical documentation to support development of Academy integration • V29 Upgrade implemented in Test • Portal Customer Journey Workshop with Civica consultants delivered • Styling Workshop completed • Live Portal Server software installed • Portal infrastructure installed on Live server • Service Desk to install certificate, register DNS name mytamworth.gov.uk and install Outlook on scheduler server • New Civica Project Manager – Project revised completion plan written and received • Handover of project management from Knowledge Performance & Insight Manager to Digital Customer Experience Manager and Head of Customer Experience • Revenues & Benefits met testing deadline wc 10th May • Report It into live • Complaints into live • Demo CMT 10th June • Exploring reporting (Mas) • Digital360 v29 upgrade implemented • Updated complaints processes to reflect current structure – testing complete, issues identified and plan in place to rectify • Post Upgrade Testing complete • Testing of payments process 	31/12/19 16/12/19 22/01/20 24/02/20 02/06/20 12/05/20 17/06/20 17/07/20 15/07/20 17/08/20 19/08/20 31/08/20 01/09/20 28/09/20 02/11/20 16/12/20 31/12/20 26/02/21 26/02/21 12/03/21 01/03/21 23/03/21 10/05/21 03/06/20 24/05/21 10/06/21 10/06/21 07/07/21 07/07/21

- Data work for LLPG synchronisation (Ian)
- Payments facility installed
- LLPG into Live & Tested
- De-Duplication complete & tested
- Processes into live for soft launch
- Soft Launch

23/07/21
 24/09/21
 30/09/21
 30/09/21
 19/11/21
 18/11/21
 06/12/21
 15/12/21

Potential issues (Include any current or upcoming issues which require action)

- Upgrade required and can be completed at any time from Jan 22. However, given Revs & Bens limited resources for year end and council tax billing we have scheduled after March 22
- Work required APIs Capita ABC web services
-

Decisions needed (Include any decisions required from ELT)

N/A

Financial monitoring update

Next Activities – by 30/01/22

-
- All Council Tax viewers into live & sign off
- SPD into Live & Sign Off
- My Requests tracker into live and sign off
- Payments module into Live and sign off
- Complete Post Implementation Review (Phase 1)
- Scrutiny 1st February 2022
- Prepare communications plan

Leisure Strategy

Project due date	30 th December 2022
Overall Project Status (Indicate by typing yes in the appropriately shaded box below)	
3. On track and in control	Yes
2. Not on track but in control	
1. Not on track	
Month & Year of update	December 2021

(Traffic light - red, amber, green based on progress to date)

Workstreams	Due date	Lead	Workstream RAG status
Review evidence from the Leisure Services priority review in conjunction with Future High Street proposals and Gungate consultation (currently underway) Report to cabinet defining revised scope of the project with timelines for endorsement and delegation of contract award. Report to now include decision to postpone the completion of the leisure strategy at this time (complete)	Aug 2021	AG/SMcG	
Tender for Indoor & Outdoor sports facilities assessment, including a review of the open spaces assessment, together with the feasibility study for Gungate Leisure provision has been delayed but has now been published for consideration by the market. Post covid the 'leisure' requirement may look very different National consultation under way – LGA,CLOA and APSE leading on 'Uniting the Movement' -Sport England's 10 year strategy Local consultation may be required on brief once completed.	Oct 2021	AG/SMcG/AM	
Three phase tender for external consultants <ul style="list-style-type: none"> • Phase 1 - new Indoor and Outdoor Leisure Facilities Assessment • Phase 2 - new open space assessment • Phase 3 – feasibility study for leisure facilities within the Gungate project <p>Submissions to be returned by mid November 2021</p> No submissions received in November - although 8 expression of interest Investigation of tenderers revealed timeline too tight Tender relaunched closing date 20 th January 2022	Oct 2021 January 2022	SMcG SmcG AM	
Appoint external consultants for all three phases combined-delayed as no returns, tender republished and new timescales are now in place.	Feb 2022	AG/SMcG/AM	

Produce Indoor & Outdoor sports facilities assessment - this should inform leisure elements to be included in the new Gungate Development.	Sept 2022	AG/SMcG/A M	
Produce Gungate Cost analysis for Leisure activities.	Aug 2022		
Produce new playing pitch spaces assessment	Oct 2022		

Key milestones achieved	Date milestone achieved
Report to Cabinet complete	July 2021
Tender published	October 2021
Tender republished	Dec 2021

Potential issues (Include any current or upcoming issues which require action)
<p>The production of the Leisure Strategy in its entirety has been delayed due to a number of factors including COVID and the Councils major Reset & Recovery as well its regeneration programmes. As a result of which the dates are now as detailed as above.</p> <p>Impact of COVID 19 lockdown has pushed the project back by a further 12 months and may change scope of review in light of new consultations. Results from the tender stage may also impact on the above dates</p> <p>The project has been further impacted and delayed by the failure to receive any tender returns from the first publication Feedback from the companies who expressed an interest have been fed into the procurement process in order to encourage companies to submit a response when the tender is republished</p> <p>Tender has been republished returns due on 20th January 2022</p>

Decisions needed (Include any decisions required from ELT)
<p>ELT to be provided with feedback from contact with the companies who expressed an interest and learning from comments to be fed to the procurement team</p> <p>ELT to endorse new timescale and actions detailed above</p>

Financial monitoring update

Section 106 monies have been allocated for external consultants to produce assessments/. Cabinet approval sought in July 2021 to award contract.

Other comments

The aim of revising all dates is to ensure the project can now be delivered within the prescribed timeline.

Corporate Risk Register 2021/22

Corporate Risks Summary

Generated on: 21 January 2022



Risk heading
Finance/Financial stability


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Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
To ensure that the Council is financially sustainable as an organisation	13-Jan-2022	3	3	9	


Risk heading
Modernisation and commercial agenda

Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
Failure to Develop and implement Continuous Service improvement and develop employees to perform the right work	21-Jan-2022	2	2	4	

Risk heading
Governance


Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
Avoid bad practices and contravention of legislative requirements and ensure the authority is held to account	19-Jan-2022	3	3	9	

Risk heading
Community Focus


Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
Safety, health and wellbeing of the citizens of the borough	21-Jan-2022	3	3	9	

Risk heading
Economic Growth and Sustainability

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Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
Lack of economic growth and sustainability in the Borough at the levels required	13-Jan-2022	3	3	9	

Risk heading
Organisational Resilience

Risk	Date Reviewed	Current Risk Severity	Current Risk Likelihood	Current Risk Rating	Current Risk Status
Failure to provide services or maintain the continued wellbeing and operations within the Borough	21-Jan-2022	3	3	9	

General Fund – Main Variances

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
Page 6 Arts Operations & Leisure	ASSEMBLY ROOMS	SALARIES	160,253	230,838	(70,585)	301,834	(65,000)	236,834	Due to accumulation of vacancies and recruitment over 1st quarter
		PRIVATE HIRE TICKET SALES EXP	4,793	37,530	(32,738)	50,000	(37,500)	12,500	Theatre programme did not reach full capacity until October, shut for Q1 due to covid guidance
		SPLIT PROFIT EVENT TICKET SALE	100,337	164,790	(64,453)	219,750	(100,000)	119,750	
		TICKET SALES	(51,729)	(101,520)	49,791	(135,300)	90,000	(45,300)	
		PRIVATE HIRE TICKET SALES	(11,379)	(38,430)	27,051	(51,250)	40,250	(11,000)	
		SPLIT PROFIT EVENT INCOME	(138,695)	(219,780)	81,085	(293,000)	148,000	(145,000)	
	ASSEMBLY ROOMS BAR	BAR CONSUMABLES	13,450	40,590	(27,140)	54,070	(34,070)	20,000	Due to closure in Q1 & now ongoing restrictions, the threat of plan C and hesitancy from the public
		CATERING SALES	(12,738)	(135,810)	123,072	(181,130)	157,000	(24,130)	
	PLEASURE GROUNDS	SALARIES	0	22,920	(22,920)	31,910	(31,910)	0	Not expecting to recruit - offset with income target.
	COMMUNITY LEISURE	CONT TO RESERVES	0	0	0	0	49,130	49,130	Contribution to reserve at year end to fund Queens Platinum Jubilee shows next financial year

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Operations & Leisure	PUBLIC SPACES	SALARIES	899,815	934,740	(34,925)	1,243,330	(31,000)	1,212,330	Accumulation of vacant posts
		VACANCY ALLOWANCE	0	(92,570)	92,570	(92,570)	92,570	0	Vacancy allowance
		CONT TO RESERVES	0	0	0	0	31,000	31,000	Salary budget to contribute to new cemeteries system
		CONTRIBUTION FROM RESERVES	(52,287)	(82,813)	30,527	(92,933)	0	(92,933)	Budget to be re-profiled re year end adjustments
	TBC HIGHWAYS MAINTENANCE	MAINTEN HIGHWAY RELATED ASSETS	56,533	90,990	(34,457)	121,290	0	121,290	Orders to be raised for anticipated works/underspend tfr to A5 fund
AD People	ICT	APPLICATION SOFTWARE	87,046	50,160	36,886	50,160	37,000	87,160	Overspend offset by underspends within cost centre
	INFORMATION GOVERNANCE	SALARIES	71,732	113,880	(42,148)	151,870	(35,000)	116,870	Vacant posts - recruitment to new Information Governance Officer and Technology & Information Asst
	CUSTOMER SERVICES	VACANCY ALLOWANCE	0	(28,980)	28,980	(38,680)	38,680	0	Vacancy allowance
AD Assets	COMMERCIAL PROPERTY MANAGEMENT	PROVISION FOR BAD DEBTS	56,263	4,185	52,078	5,580	43,863	49,443	In respect of outstanding invoices - NCP settled invoices totalling £110k on 24/12/21 - invoices now o/s for May & Jun 2021
		BAD DEBT PROVISION	(179,273)	0	(179,273)	0	(116,914)	(116,914)	Invoice for MARS Retail £111k cancelled
	INDUSTRIAL PROPERTIES	MISC CONTRIBUTIONS	(55,000)	0	(55,000)	0	(55,000)	(55,000)	Windfall/one off income received for Kingdom Hall and 7A Apollo
		RENTS	(795,176)	(745,000)	(50,176)	(808,780)	(40,000)	(848,780)	Expected income being exceeded
	MARMION HOUSE	RENTS	(68,645)	(24,000)	(44,645)	(32,000)	(15,000)	(47,000)	Additional income as SCC occupying 5th Floor (were due to leave Apr 2021)

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Neighbourhoods	HOMELESSNESS	PROVISION FOR BAD DEBTS	(1,464)	107,025	(108,489)	142,700	(137,700)	5,000	Write-offs for pre 2018 arrears on B&B, work to clear these will be carried out this year, awaiting CMT sign off as a corporate project
		BED AND BREAKFAST COST	81,267	163,170	(81,903)	217,550	(105,000)	112,550	Reduction in use of B&B, partially offsetting shortfall in B&B income
		CONT TO RESERVES	0	0	0	0	161,730	161,730	Reserve for write-offs;collection of B&B arrears; and Rough Sleeping Initiative project ending in June 22
		GOVERNMENT GRANTS	(111,400)	(58,428)	(52,973)	(74,290)	(24,030)	(98,320)	Unspent grant to be put in temp reserves and utilised for RSI 4 project that ends in June 22
		BED & BREAKFAST INCOME	(26,517)	(163,140)	136,623	(217,540)	180,000	(37,540)	Reduction in use of B&B
	HOMELESSNESS STRATEGY	CONT TO RESERVES	0	0	0	0	63,860	63,860	Homelessness Prevention Grant amount received exceeds this year's requirements - to be added to reserves and utilised next year
		GOVERNMENT GRANTS	(245,757)	(107,224)	(138,533)	(151,900)	(63,860)	(215,760)	Homelessness Prevention Grant amount received exceeds this year requirements - to be added to reserves and utilised next year
	COMMUNITY WARDENS	SALARIES	74,535	119,470	(44,935)	161,010	(58,000)	103,010	Two vacant posts
	AD Partnerships	PRIVATE SECTOR LEASING SCHEMES	PRIVATE SECTOR LEASING SCHEME	4,507	50,130	(45,623)	66,780	(62,200)	4,580
PRIVATE SECTOR LEASING			(3,808)	(65,820)	62,012	(87,810)	84,000	(3,810)	Not expecting any tenants from now on. In the process of acquiring properties.

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Partnerships	DDCPP BUSINESS SUPPORT	SALARIES	180,261	227,070	(46,809)	302,750	(47,000)	255,750	Due to accumulation of vacant posts
	CAR PARKING ENFORCEMENT COSTS	SALARIES	0	47,430	(47,430)	63,260	(63,260)	0	Vacant posts - to be used to fund temp staff
		PAYMENTS FOR TEMPORARY STAFF	44,400	0	44,400	0	80,000	80,000	Temp staff funded from salary underspends pending review
	SAFER STRONGER COMMUNITIES FND	EXTERNAL FUNDING OPPORTUNITIES	35,193	70,290	(35,097)	90,430	(34,000)	56,430	Not expecting to spend all of LDF allocation this year
		GOVERNMENT GRANTS	(40,782)	(60,390)	19,608	(80,530)	34,000	(46,530)	
AD Growth & Regeneration	OUTSIDE CAR PARKS	SHORT STAY CAR PARKING	(419,801)	(450,000)	30,199	(600,000)	45,000	(555,000)	Car park occupied as Covid testing centre and dependant on 'Plan B' restrictions
	MARKETS & STREET DISPLAYS	STREET TRADERS LICENCE INCOME	(4,821)	(27,360)	22,539	(36,460)	30,000	(6,460)	Budget does not reflect current street trading policy, which is in process of being reviewed
	CASTLE & MUSEUM	SALARIES	133,788	193,507	(59,719)	258,476	(50,000)	208,476	Arts council funded 1st quarter & accumulation of vacant posts
		ADMISSION FEES	(109,240)	(73,692)	(35,548)	(98,260)	(20,000)	(118,260)	Exceeding year to date budget but visitors expected to decrease over winter
	ARTS COUNCIL	GOVERNMENT GRANTS	(174,727)	(237,230)	62,503	(237,230)	20,000	(217,230)	To submit final activity report to Arts Council to receive remaining funding

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Growth & Regeneration	ENVIRONMENTAL HEALTH	SALARIES	300,847	459,863	(159,016)	613,140	(202,515)	410,625	£230k funding received for Covid 19 costs up to 2023, to carry forward spend to 2022/23
		CONT TO RESERVES	0	0	0	0	266,000	266,000	
		GOVERNMENT GRANTS	(173,715)	(110,230)	(63,485)	(110,230)	(63,485)	(173,715)	£63k Covid funding potentially to be carried forward to next year
	ECONOMIC DEVELOPMT & REGEN	CONT TO RESERVES	0	0	0	0	35,000	35,000	Cont to tourism programme if approved
	DEV. PLAN LOCAL & STRATEGIC	LOCAL DEVELOPMENT FRAMEWORK	17,984	47,470	(29,486)	50,000	(30,000)	20,000	Tender for in/outdoor sports feasibility has been delayed. Likely spend next financial year
		CONT TO RESERVES	0	0	0	0	30,000	30,000	
	COVID-19 BUSINESS SUPPORT TEAM	CONT TO RESERVES	0	0	0	0	64,926	64,926	Grant funding to be returned to town centre retained fund
		GOVERNMENT GRANTS	(64,926)	0	(64,926)	0	(64,926)	(64,926)	
AD Finance	BENEFITS	PROVISION FOR BAD DEBTS	0	0	0	50,000	(50,000)	0	Based on position at end December, increase in bad debt provision not required
		RENT ALLOWANCES	3,767,143	4,578,500	(811,357)	5,952,100	(1,106,570)	4,845,530	Based on DWP Claim at P9
		NON-HRA RENT REBATES	14,870	45,240	(30,370)	60,320	(29,580)	30,740	
		COUNCIL TENANT RENT REBATES	5,178,613	5,805,670	(627,057)	7,531,900	(908,510)	6,623,390	
		COUNCIL TENANT GRANT	(5,200,940)	(5,746,470)	545,530	(7,454,920)	885,310	(6,569,610)	

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Finance	BENEFITS	PRIVATE TENANT GRANT	(3,652,003)	(4,482,900)	830,897	(5,811,220)	1,067,270	(4,743,950)	Based on DWP Claim at P9
		NON-HRA RENT REBATE GRANT	(20,262)	(42,510)	22,248	(56,430)	30,090	(26,340)	
		OVERPAYMENT PRIVATE TENANT	(112,559)	(140,670)	28,111	(187,540)	37,460	(150,080)	Based on position at end December
		OVERPAYMENT COUNCIL TENANT	(74,930)	(101,520)	26,590	(135,330)	35,420	(99,910)	
		PT OVERPAYMENT RECOVERY	35,201	0	35,201	0	46,930	46,930	
		CT OVERPAYMENT RECOVERY	23,888	0	23,888	0	31,850	31,850	
	BENEFITS ADMINISTRATION	SALARIES	334,592	369,263	(34,670)	492,340	(35,000)	457,340	Vacant Head of Service post / interim arrangements in place
		VACANCY ALLOWANCE	0	(26,910)	26,910	(35,830)	35,830	0	Vacancy allowance
		GOVERNMENT GRANTS	(64,130)	(11,370)	(52,760)	(19,120)	(45,010)	(64,130)	Government Grant underspend to be c/f
	CORPORATE FINANCE	GENERAL CONTINGENCY	0	0	0	169,000	(169,000)	0	No plans at present, subject to review during the year
CONT TO RESERVES		0	0	0	150,000	2,313,690	2,463,690	Additional contribution to reserve to fund 2021/22 NNDR collection fund deficit arising from expanded retail reliefs scheme (which will be needed in 2022/23 due to the collection fund deficit being funded in the following financial year, as part of the budget setting process for 2022/23)	
NNDR LEVY PAYMENTS		127,931	0	127,931	687,230	475,220	1,162,450	Additional levy payable due to business rates forecast growth in 2021/22	

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Finance Page 67	CORPORATE FINANCE	GOVERNMENT GRANTS	(8,118,840)	(714,443)	(7,404,398)	(952,590)	(2,788,910)	(3,741,500)	Additional Section 31 grant receivable due to expanded retail relief scheme for 2021/22 of c.£3m (TBC share)
		MISC CONTRIBUTIONS	(3,794)	0	(3,794)	0	(437,590)	(437,590)	2020/21 levy return expected from pool subject to finalisation of NNDR audits
		CONTRIBUTION FROM RESERVES	(186,370)	(41,000)	(145,370)	(76,000)	(144,730)	(220,730)	Cabinet Report 02/12/21 Review of Reserves
	TREASURY MANAGEMENT	MINIMUM REVENUE PROVISION GF	142,110	142,110	0	189,430	(31,840)	157,590	Reduced MRP due to slippage in 2020/21 capital programme
		MISC INTEREST & DIVIDENDS	(136,596)	(71,010)	(65,586)	(94,710)	(87,450)	(182,160)	Forecast investment interest income due to higher balances arising from capital programme slippage
		PROPERTY FUND DIVIDENDS	(154,644)	(225,000)	70,356	(300,000)	0	(300,000)	Delayed property fund investments, no outturn variance as further £8m invested at the end October
	COVID-19	GOVERNMENT GRANTS	(239,800)	0	(239,800)	0	(185,000)	(185,000)	New burdens grant for Business Grants process
		GOVERNMENT GRANTS	(566,825)	(320,400)	(246,425)	(427,150)	(276,340)	(703,490)	Additional SFC grant for Qtr 1 2021/22 (& balance of £67k from 2020/21)
	COUNCIL TAX	SALARIES	157,255	194,513	(37,258)	259,340	(32,000)	227,340	Vacant posts
		COURT COSTS	(185,652)	(168,750)	(16,902)	(225,000)	(30,000)	(255,000)	Income above budget based on current position

Housing Revenue Account – Main Variances

Service Area	Cost Centre	Account Code	Year to Date Position	Year to Date Budget	Year to Date Variance	Full Year Budget	Predicted Outturn Variance	Full Year Position Predicted Outturn	Comment
AD Operations & Leisure	CARETAKERS	SALARIES	78,499	63,180	15,319	84,290	38,000	122,290	Extra temp staff as agreed from business case to support housing works
AD Neighbourhoods	GENERAL	TENANTS CONTENTS INSURANCE	39,184	82,050	(42,866)	82,050	(42,870)	39,180	Currently underspent due to new insurance premiums but the final figure will be confirmed at the year end
Page 66 Housing Repairs	REPAIRS CONTRACT	COVID 19 COSTS	476,310	0	476,310	0	476,310	476,310	Unbudgeted cost of COVID related repairs
		RESPONSIVE REPAIRS	776,641	1,125,000	(348,359)	1,500,000	(200,000)	1,300,000	Responsive service outturn based on current forecast
		VOIDS	651,391	1,050,000	(398,609)	1,400,000	(300,000)	1,100,000	
		LIFT MAINTENANCE	16,491	48,750	(32,259)	65,000	0	65,000	Payments to be reviewed as there are potentially some miscodes resulting in underspend
		MISC. (NON SPECIFIC)	112,570	162,500	(49,930)	225,000	(50,000)	175,000	Predicted underspend based on current forecast
		RECHARGABLE WORKS	(43,163)	0	(43,163)	0	(45,000)	(45,000)	Unplanned income from tenants for damaging properties
	REPAIRS	MISC. (NON SPECIFIC)	21,502	59,235	(37,733)	78,980	0	78,980	Misc budget for unforeseen works
		FIRE SAFETY & RISK ASSESSMENT	70,283	30,000	40,283	75,000	0	75,000	Commitment raised in advance
HRA Summary	H R A SUMMARY	UNDER/OVER BANKING	(38,716)	0	(38,716)	0	(38,716)	(38,716)	Unbudgeted income - credit w/off
		RENTS	(14,426,207)	(14,378,288)	(47,920)	(18,650,700)	(63,000)	(18,713,700)	Based on current trend
		GARAGE RENTS	(260,178)	(285,530)	25,352	(370,380)	35,000	(335,380)	Assumed reduced income due to garage project and empty properties

Capital Programme Monitoring

Directorate	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000	Comments
Chief Executive										
Joint Waste Service Additional Bins	-	-	-	-	95	95	-	-	95	Expected to be spent in final quarter
Service Area Total	-	-	-	-	95	95	-	-	95	
AD Growth										
Gungate Development	718	718	-	(718)	718	-	(718)	718	718	Ongoing discussions with county council. Budget likely to be spent next year, as currently going through approval process this year.
Castle Mercian Trail	96	96	65	(32)	96	96	-	-	96	The project has now been signed off by Heritage Fund
Gateways	424	424	27	(397)	424	27	(397)	397	424	Funds to be spent on Gateways, however unlikely until next year
Cultural Quarter - Carnegie Centre	3	3	5	2	3	5	2	-	5	Almost complete. Lease for restaurant now signed.
Repairs to Castle Elevation	244	357	63	(294)	394	64	(330)	330	394	Reviewing estimated costs with architect, tender not issued until review has completed. Report to Cabinet in January for authorisation to incur expenditure
Castle Lighting	40	40	40	(0)	40	40	-	-	40	Now Complete
Off Street Car Parking Infrastructure Update	-	38	22	(16)	50	22	(29)	-	22	Cabinet approved preferred tender 9/9/21, new machines in January 2022
FHSF Castle Gateway	-	2,063	112	(1,950)	2,750	267	(2,483)	2,483	2,750	Revised spending profile submitted to DLUHC
FHSF Middle Entry	-	1,594	53	(1,540)	2,125	54	(2,071)	2,071	2,125	Revised spending profile submitted to DLUHC
FHSF College Quarter	-	6,587	152	(6,436)	8,783	3,522	(5,261)	5,261	8,783	Revised spending profile submitted to DLUHC
Service Area Total	1,526	11,919	538	(11,381)	15,384	4,097	(11,287)	11,260	15,357	
ED Organisation								-		
AD People								-		
Replacement It Technology	26	55	46	(9)	70	55	(15)	15	70	Previously planned spend eg on network refresh may be delayed pending R & R/Marmion House de-commissioning - budget to be re-profiled.
New Time Recording System 17/18	15	15	-	(15)	15	-	(15)	15	15	Funds to be re-profiled as commencement of project subject to Recovery & Reset

Directorate	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000	Comments
Self Service Customer Portal	45	45	30	(14)	45	31	(14)	14	45	Portal 'soft launch' go live achieved in January, remaining funds to be c/f for further development.
Member Device Refresh	3	3	1	(2)	3	3	-	-	3	Remaining budget re-profiled from 20/21 to be used for purchase of replacement kit
Asset Management Database	42	42	-	(42)	42	42	-	-	42	Funds re-profiled for further stages of the project - ongoing and should be completed by year end.
Mobile Phone Contract	20	-	-	-	-	-	-	-	-	Funds vired into new scheme for Replacement Back-Up System following Cabinet approval
V13 Income Management Systems & 3D Secure	-	21	24	4	27	24	(3)	-	24	System upgrade and move to Cloud - minor underspend predicted
Replacement Back-Up System	-	51	51	(0)	51	51	-	-	51	Commitment raised and implementation planned for early January
Service Area Total	151	231	153	(78)	253	206	(47)	44	250	
AD Operations & Leisure								-		
Wigginton Park Section Section 106	10	11	-	(11)	11	4	(8)	8	11	Volunteers returning to site, management plans being reviewed, spend anticipated within next 6 months
Broadmeadow Nature Reserve	17	18	6	(11)	18	9	(9)	9	18	Volunteers returning to site, management plans being reviewed, spend anticipated within next 6 months
Public Open Space Section 106	10	22	-	(22)	22	-	(22)	22	22	Currently reviewing spend on street furniture for 2022/23
Street Lighting	79	79	41	(38)	79	79	-	-	79	40 year plan, extension to scheme being submitted. To confirm works completed with Eon.
Local Nature Reserves	23	24	-	(24)	24	3	(21)	21	24	Management plans being reviewed in January to assess planned spend
Community Woodland Cycleway	199	199	10	(189)	199	10	(189)	189	199	Finishing the design brief. Cabinet report to provide update in January, tender to follow and plan to award in June 2022
Amington Community Woodland	232	232	23	(209)	232	32	(200)	200	232	Finishing the design brief. Cabinet report to provide update in January, tender to follow and plan to award in June 2022
3G Sports Facility	-	-	(4)	(4)	-	-	-	-	-	Waiting to pay final retention payments
Replacement Castle Grounds Play Area	-	281	374	93	375	375	-	-	375	Completed
Refurbishment Castle Grounds Tennis Courts	-	90	-	(90)	120	-	(120)	120	120	Specification final checks before tendering
Assembly Rooms Development	-	-	(0)	(0)	-	-	-	-	-	Waiting for final retention payments and evaluation to be completed by end of Feb 2022
Indoor and Outdoor Sports Feasibility	100	100	-	(100)	100	20	(80)	80	100	Tender closes 17th Jan but spend unlikely this year
Service Area Total	669	1,056	450	(606)	1,180	532	(648)	648	1,180	

Directorate	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000	Comments
ED Finance										
AD Finance										
Property Funds	8,131	8,131	4,083	(4,048)	8,131	4,083	(4,048)	-	4,083	Investments in property funds made at the end October. c.£4m capital fund and c.£4m treasury management investment therefore budget will underspend by £4m.
Solway Tamworth LTD LATIC	4,000	4,000	-	(4,000)	4,000	-	(4,000)	4,000	4,000	Review underway to confirm viability of scheme post pandemic
Service Area Total	12,131	12,131	4,083	(8,048)	12,131	4,083	(8,048)	4,000	8,083	
ED Communities										
AD Assets										
Disabled Facilities Grant	817	1,304	804	(500)	1,467	967	(500)	500	1,467	Predicted underspend which needs to be reprofiled
Energy EFF Upgrade Commercial and Industrial Properties	-	56	-	(56)	75	-	(75)	-	-	Depending on stock condition survey, unlikely to be spent this year
Service Area Total	817	1,360	804	(556)	1,542	967	(575)	500	1,467	
AD Neighbourhoods										
CCTV Infrastructure	-	34	46	11	46	46	-	-	46	Payment made to West Midlands Combined Authority, no predicted outturn variance
Service Area Total	-	34	46	11	46	46	-	-	46	
GF Contingency										
Gf Contingency	135	120	-	(120)	120	-	(120)	120	120	£15k released to Replacement Back-up Scheme following Cabinet approval, no further requirement identified
Cont-Return On Investment	20	20	-	(20)	20	-	(20)	20	20	Budget to be re-profiled
GF Contingency Plant and Equipment	100	100	-	(100)	100	-	(100)	100	100	Budget to be re-profiled
Service Area Total	255	240	-	(240)	240	-	(240)	240	240	
GENERAL FUND TOTAL	15,548	26,972	6,074	(20,898)	30,870	10,025	(20,844)	16,692	26,718	

Directorate	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000	Comments
HOUSING REVENUE ACCOUNT										
ED Communities										
AD Assets										
Structural Works	-	150	203	53	200	276	76	-	276	Predicted overspend, reviewing coding with Contractor
Bathroom Renewals	94	257	327	69	312	327	15	-	327	Predicted overspend
Gas Central Heating Upgrades and Renewals	289	803	596	(206)	974	874	(100)	-	874	Underspend based on current planned work
Kitchen Renewals	326	917	899	(18)	1,114	994	(120)	120	1,114	Predicted underspend to be reprofiled
Major Roofing Overhaul and Renewals	-	834	1,111	278	1,111	1,111	-	-	1,111	Expected to be spent in full
Window and Door Renewals	43	342	441	100	441	441	-	-	441	Expected to be spent in full
Neighbourhood Regeneration	477	852	366	(487)	977	400	(577)	-	400	At this stage spend not likely to exceed £400k for the year
Disabled Facilities Adaptations	298	720	365	(355)	860	365	(495)	495	860	Identified works are unlikely to be fully completed this year, will need re-profiling
Rewire	-	113	-	(113)	150	-	(150)	-	-	Recent inspection programme not identified any requirement for rewiring this year
CO2 / Smoke Detectors	60	108	76	(32)	124	84	(40)	40	124	Underspend to be reprofiled
Insulation	18	18	-	(18)	18	-	(18)	-	-	No work identified this year
Renew High Rise Lifts	243	243	14	(229)	243	14	(229)	229	243	Predicted underspend to be reprofiled to be spent earlier next year
Replace High Rise Soil Stacks	-	1,313	9	(1,303)	1,750	250	(1,500)	1,500	1,750	Planned to start before the end of March 22 but it won't be completed till next year
Fire Upgrades To Flats 2012	100	100	50	(50)	100	50	(50)	-	50	Awaiting costs from Engie for proposed Fire Protection work to communal blocks and high-rise
Sheltered Schemes	84	159	154	(5)	184	154	(30)	-	154	Predicted underspend based on current workload
Energy Efficiency Improvements	-	53	70	18	70	70	-	-	70	Ad hoc budget as works are identified
Install Fire Doors High Rise	1,460	1,460	1,333	(127)	1,460	1,334	(126)	126	1,460	To be reprofiled, jobs have started but won't finish by the year end
High Rise Ventilation System	-	90	-	(90)	120	-	(120)	120	120	Linked to soil stacks project, will need reprofiling

Directorate	Budget Reprofiled from 2020/21 (memo only) £000	YTD Budget £000	YTD Actual Spend £000	Variance £000	Budget £000	Predicted Outturn £000	Variance £000	Reprofile to 2022/23 (memo only) £000	Outturn £000	Comments
Retention of Garage Sites	-	563	373	(190)	750	373	(378)	378	750	Project will run into 22/23 so any underspend will need to be re-profiled
Capital Salaries	-	150	-	(150)	200	200	-	-	200	-
Software Fire Safety Surveys	90	90	-	(90)	90	-	(90)	90	90	Not going to be spent this year - will need re-profiling
HRA Street Lighting	69	69	59	(10)	69	69	-	-	69	At this point it is anticipated that the budget will be spent in full but if there is any underspend it will need to be re-profiled.
Asset Management Software HRA	69	69	51	(19)	69	59	(10)	-	59	Project ongoing and should be completed by the end of the year, predicted underspend of £10k
Telecare System Upgrades	-	27	-	(27)	36	-	(36)	36	36	Works have been identified but won't be completed this year - to be reprofiled
Tinkers Green	-	-	0	0	-	-	-	-	-	-
Kerria Estate Project	103	103	6	(96)	103	96	(6)	-	96	Final CPO settlements still being negotiated.
Other Acquisitions	599	599	753	153	599	753	153	-	753	Overspend if all committed purchases complete, but will be offset by underspends on other cost centres
Regeneration & Affordable Housing	7,475	7,663	1,978	(5,685)	7,725	2,191	(5,534)	5,534	7,725	Wilnecote scheme submitted to planning but works unlikely to commence until late 21/22, also additional £500,000 identified as underspend to be reprofiled
Caledonian Depot New Build	-	1,131	2	(1,129)	1,508	2	(1,506)	1,506	1,508	Unlikely to commence this year with most spend being in 22/23.
Service Area Total	11,897	18,993	9,236	(9,757)	21,358	10,488	(10,870)	10,173	20,660	
HRA Contingency										
HRA Contingency	100	100	-	(100)	100	100	-	-	100	-
Service Area Total	100	100	-	(100)	100	100	-	-	100	
HRA Total	11,997	19,093	9,236	(9,857)	21,458	10,588	(10,870)	10,173	20,760	

Treasury Management Update

Period 6 - 2021/22

Borrower	Deposit £	Rate %	From	To	Notice
Thurrock Council	5,000,000	0.65%	09-Oct-20	07-Oct-22	-
Thurrock Council	5,000,000	0.20%	15-Jul-21	15-Jul-22	-
Goldman Sachs	5,000,000	0.16%	12-Aug-21	14-Feb-22	-
Slough Council	5,000,000	0.15%	06-Oct-21	05-Oct-22	-
Goldman Sachs	5,000,000	0.43%	29-Oct-21	29-Apr-22	-
Standard Chartered	10,000,000	0.33%	15-Nov-21	13-May-22	-
Lloyds Bank	8,003,891	0.05%	-	-	95 day
Santander	10,000,000	0.60%	-	-	180 day
MMF – Aberdeen	7,044,000	0.01%*	-	-	On call
MMF – PSDF	10,000,000	0.02%*	-	-	On call
MMF – Federated	8,139,000	0.01%*	-	-	On call
Total	78,186,891	0.24%	-	-	-
Schroders UK Real Estate Fund	1,848,933	3.26%	-	-	-
Threadneedle Property Unit Trust	6,056,785	3.82%	-	-	-
Hermes Federated Property Unit Trust	4,056,500	3.90%	-	-	-
Total	90,149,109	0.75%	-	-	-

* Interest rate fluctuates daily dependant on the funds investment portfolio, rate quoted is approximate 7 day average.

Property Fund Investments held as at 31st December 2021:

Fund	Initial Investment	Fund Value 31/12/21	2021/22 Return to Date		
Schroders UK Real Estate Fund	£1,848,933.03	£2,055,758.73	£45,371.15	3.26%	Inclusive of November Returns
Threadneedle Property Unit Trust	£6,056,785.32	£6,305,311.17	£38,291.88	3.82%	Returns Received Quarterly. Awaiting Oct - Dec Returns.
Hermes Federated Property Unit Trust	£4,056,499.57	£4,056,499.57*	-	3.90%	*Invested end of Oct - Awaiting Statement for Nov - Dec
Total	£11,962,217.92	£12,417,569.47	£83,663.03	3.55%	

External Borrowing as at 31st December 2021:

<u>Borrowing from PWLB</u>				
<u>Loan Number</u>	<u>Rate</u>	<u>Principal</u>	<u>Start</u>	<u>Maturity</u>
475875	8.875%	1,200,000	29/04/1995	25/04/2055
478326	8.000%	1,000,000	17/10/1996	17/10/2056
479541	7.375%	1,000,000	28/05/1997	28/05/2057
479950	6.750%	2,000,000	02/10/1997	03/09/2057
481087	5.625%	3,000,000	22/06/1998	22/06/2058
481641	4.500%	1,400,000	09/10/1998	09/10/2058
483694	4.875%	92,194	21/12/1999	18/10/2059
488835	5.000%	2,000,000	01/07/2004	01/07/2034
490815	4.250%	1,000,000	24/11/2005	24/05/2031
494265	4.430%	2,000,000	21/01/2008	01/01/2037
494742	4.390%	700,000	15/08/2008	15/08/2058
500759	3.520%	5,000,000	28/03/2012	28/03/2053
500758	3.510%	5,000,000	28/03/2012	28/03/2054
500757	3.510%	5,000,000	28/03/2012	28/03/2055
500761	3.510%	5,000,000	28/03/2012	28/03/2056
500755	3.500%	5,000,000	28/03/2012	28/03/2057
500756	3.500%	3,000,000	28/03/2012	28/03/2058
500753	3.500%	1,000,000	28/03/2012	28/03/2059
500760	3.490%	5,000,000	28/03/2012	28/03/2060
500762	3.490%	5,000,000	28/03/2012	28/03/2061
500754	3.480%	5,668,000	28/03/2012	28/03/2062
504499	3.230%	3,000,000	30/11/2015	30/11/2065
Total		63,060,194		

Corporate Scrutiny Committee

1st February 2022

Quarter Three 2021/22 Quarterly Performance Report

Additional Information requests

1. **Corporate Capital Strategy – with regard to our investments in Property Funds, what proportion of the Property Funds are not invested in property (eg Government bonds and other financial instruments)**

The latest funding statements from Schroders and Threadneedle, which show the breakdown of investments, accompany this report at appendices 2, 3 and 4 – and shows the majority of the fund investment is directly in property assets (in excess of 90%) with a small proportion held in cash (pending investment – 5.5% Threadneedle, 4.1% Schroders).

2. **An update was requested on the Amington Local Centre**

In May 2021 Amington Local Centre land transferred from Redrow to Tamworth Borough Council. Since then informal marketing of the site to convenience store operators has taken place which has generated significant interest. An impact of the Pandemic has meant that communities rely more heavily on local and community shopping facilities and a trend has moved in that direction. Given the interest that we have received a red book valuation exercise has been undertaken and the ED team are preparing an update report which will be presented to Scrutiny and Cabinet in the Spring.

Areas that Corporate Scrutiny Committee felt should be brought to Cabinet's attention

1. Corporate Plan Project and Corporate Risk Register

The committee noted the potential risk in terms of impacts on costs on our projects (for example energy costs impacting on raw material costs)

2. Regeneration Projects update

The committee noted that there would be a Solway update at the March 2022 Corporate Scrutiny meeting and welcomed this.

In respect of FHSF it was noted that the Council are still negotiating for vacant possession of Middle Entry. Understanding the commercial sensitivity of this point, the Committee requested a private offline update (by confidential email) on the FHSF focussed on progress in particular in respect of the position on Middle Entry vacant possession and the Co-Operative site.

3. Net zero carbon project highlight report

The committee noted that scrutiny consideration of this project is being led by the Infrastructure, Safety and Growth scrutiny

SCHRODER UK REAL ESTATE FUND (SREF)

Q4 2021

31 Dec 2021

Investment objective

SREF's performance objective is to outperform its benchmark by 0.5% per annum, net of fees, over rolling three year periods, although this is not guaranteed over this or any other period.

Key information

Fund net asset value	£2,512.3 million
Fund gross asset value	£2,529.6 million
Cash	£103.7 million
Number of holdings	52
Number of tenants	644
Void rate ¹	6.6%
Average unexpired lease term to break	8.7 years
Average unexpired lease term to expiry	9.9 years
Debt (% NAV)	0.2%
Net initial yield ¹	4.0%
Reversionary yield ¹	5.1%
Equivalent yield ¹	4.8%
Gross distribution yield ²	2.8%
Investment parameters	Compliant

Source: Schroders, 31 December 2021.

¹Includes all directly held properties joint ventures and indirect funds. Includes agreements for lease but excludes land and development.

²Distributions payable in the twelve months to 31 December 2021 as a percentage of the latest net asset value per share (NAV).

³Performance is calculated on a net asset value (NAV) to NAV price basis plus income distributed, compounded monthly, net of fees, gross of tax and based on an unrounded NAV per share.

Performance analysis

Performance (%)	3 months	12 months	3 yrs (p.a.)	5 yrs (p.a.)	10 yrs (p.a.)
SREF ³	5.2	16.2	5.7	7.1	8.4
Benchmark ⁴	7.5	19.1	6.2	7.0	7.6

Performance (%)	Q4 20 Q4 21	Q4 19 Q4 20	Q4 18 Q4 19	Q4 17 Q4 18	Q4 16 Q4 17
SREF ³	16.2	-0.4	2.1	7.3	11.1
Benchmark ⁴	19.1	-1.0	1.6	6.5	10.2

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

Source: MSCI.

⁴MSCI/AREF UK Quarterly All Balanced Property Fund Index Weighted Average.



G R E S B
☆☆☆☆☆ 2021



PROFESSIONAL
PENSIONS
INVESTMENT
AWARDS

WINNER

UK Core Property
Manager of the Year
Schroders



Risk factors

- Property-based pooled vehicles, such as the Fund, invest in real property, the value of which is generally a matter of an independent valuer's opinion
- The price of shares and the income from them may fluctuate upwards or downwards and cannot be guaranteed
- It may be difficult to deal in the shares of the Fund or to sell them at a reasonable price because the underlying property may not be readily saleable, or because valuations may not be reliably determined in unusual market circumstances – thus creating liquidity risk. In addition, the payment of redemptions may be deferred for a maximum period of 24 months from the original Dealing Day for Redemption
- There is no recognised market for shares in the Fund and, as a result, reliable information about the value of shares in the Fund or the extent of the risks to which they are exposed may not be readily available
- A potential conflict with the Manager's duty to the shareholder may arise where an Associate of the Manager invests in shares in the Fund. The Manager will, however, ensure that such transactions are effected on terms which are not materially less favourable to the shareholder than if the potential conflict had not existed

Executive summary

Market summary

Schroders forecasts that GDP will grow by 5% in 2022, and by 3% in 2023. This growth will be primarily driven by sustained consumer spending from pent-up demand and investment. We expect inflation to slow over the second half of this year, resulting in small incremental rate increases by the Bank of England. While some polarisation in overall sector performance remains – especially between industrials peaking and retail acclimatising to structural change – this is tempered by pockets of opportunity in sub-sectors of the retail market and the forecast slow down in industrial rental growth. Meanwhile, take-up in office space recovered over the back half of 2021 and demand remains concentrated on the best-quality buildings with leading sustainability credentials.

Performance

For the quarter to 31 December 2021, SREF delivered a total return of 5.2%, versus the benchmark total return of 7.5%. SREF continues to outperform over 5 years and 10 years per annum. Please note that past performance is not a guide to future performance and may not be repeated.

SREF's performance during the quarter was derived principally from capital value growth of £117.7 million generated across the portfolio. The fund's high-quality industrial portfolio focused across London, the South East and the Midlands, saw strong performance driven by a combination of active management to achieve rental growth and further inward yield movement. SREF's prime, long-let office portfolio also saw capital growth over the quarter, driven by inward yield shift reflecting the strength of investor demand in the sector.

The fund's relative underperformance versus the benchmark is largely attributable to our underweight position to the industrial sector. SREF is progressing several industrial development sites within the existing portfolio and continues to consider selective investment opportunities within the sector.

The fund maintains a high-quality portfolio of assets which continues to offer defensive income characteristics, including a low void rate, affordable rents and a long unexpired lease term. SREF benefits from the UK government being the largest (and a growing) occupier in the portfolio. The portfolio is well hedged against inflation with 16.6% of contracted rent subject to index-linked rent reviews increasing to 24.7% on completion of 2 Ruskin Square, Croydon. SREF's office exposure is set to benefit from the polarisation between demand for prime offices and more secondary offices with 95.7% of SREF's offices located in winning cities, low office sector void at 7.7%, and 9.5 years unexpired to earliest termination. SREF has also proactively fitted-out space in four buildings to meet evolving tenant requirements and to provide greater flexibility in exchange for rent premiums and reduced incentives.

International marketing permissions

International capital has been a growing component of the Fund's investor base over recent years. SREF currently manages capital from the North American continent, Europe and Asia Pacific. Since the UK's exit from the EU at the start of 2021, SREF has successfully re-applied for select European marketing passports, with permissions granted in the Nordics, Netherlands and Germany. The Fund has on-going applications currently under review by local regulators in Asia.

UK real estate market commentary

While UK economic growth will vary from month to month as the government tightens and lifts Covid-19 restrictions, Schroders forecasts that GDP, on an annual basis, will grow by 5% in 2022 and 3% in 2023. The key drivers will be consumer spending and investment as businesses look to raise productivity, switch to more energy-efficient equipment and make use of the temporary increase in capital allowances. The main downside risk is that the jump in inflation and staff shortages in construction, care homes, road haulage and other sectors spill over into a general wage-price spiral. That would force the Bank of England to hike interest rates, which would hit consumption and house prices. However, our main scenario is that inflation will slow through the second half of 2022, as supply chains normalise and last year's surge in energy prices falls out of the annual comparison. Accordingly, Schroders expects the Bank of England to raise the base rate gradually to 0.5% by the end of this year and 1.0% by the end of 2023.

The arrival of Omicron during the all-important run up to Christmas capped off a difficult year for retailers already struggling with online competition, rising costs and interruptions to supply. We forecast that shop and shopping centre rents will fall by a further 10% over the next two years as weaker retailers fail and surviving retailers shift more of their business online and close stores. By contrast, supermarket and retail park rents will probably be stable. The greater bias of retail parks to bulky goods means they are more internet-immune than shopping centres and they have also benefited from being open air during a pandemic. Next plc reported that its like-for-like sales on retail parks have returned to 2019 levels, whereas town centre sales are down by 15%. The other key difference is that retail park rents and service charges are significantly lower than in shopping centres. As a result, although some out-of-town retailers will fall into insolvency, we expect there to be steady demand for retail park units from discount retailers, gyms and coffee chains.

The office market appears to be past the worst. Take-up in the second half of 2021 was close to 2019 levels and vacancy rates in central London and major regional cities have levelled off at 10% and 8%, respectively. However, while fears that remote working would make offices redundant have proved wrong, demand has become much more focused on Grade A, high-quality offices which have state-of-the-art conditioning and connectivity, provide plenty of space for team-working and are energy efficient. Over 70% of take-up in the City of London in 2021 was in offices with either a BREEAM excellent, or outstanding rating. This reflects the importance occupiers attach to attracting staff back into the office and to environmental targets. However, it also poses a serious challenge to secondary offices and the jump in construction costs over the last 12 months, means that some older offices risk becoming

stranded assets, because it is no longer viable to refurbish them. Given the two-tier nature of demand and limited new building, we expect the increase in prime office rents which began last year in Cambridge, London and the big regional cities to continue through 2022-23. Rents on secondary offices in other cities are likely to decline, or at best stagnate.

Industrial take-up hit a new record in 2021, propelled by the growth in online retail. Amazon alone committed to over 30 distribution warehouses and smaller "last-mile" units and the need to match Amazon's delivery times put pressure on rival retailers to upgrade their logistics. Last year also saw strong demand from pharmaceutical companies and trade counters and rental growth accelerated to 5%, from 2% in 2020. Looking ahead over the next 2-3 years, rental growth is likely to slow to 3% per annum, partly because lower profit margins mean that online retail and logistics firms are very cost-conscious and partly because of an increase in development of big distribution units. Multi-let estates in stronger regional conurbations such as Birmingham, Leeds and Manchester could be an exception. Rental growth has, so far, lagged behind that in London, but there is a similar combination of strong demand and tight supply.

The total value of investment transactions rose by a third in 2021 to over £60 billion, driven by strong interest from both UK and international investors. The most liquid parts of the market were industrial and retail parks and both sectors saw a sharp fall in yields. Prime yields on London multi-let estates and distribution warehouses fell to new lows of 3.0% and 3.5% respectively at the end of 2021, and prime retail park yields stood at 5.5%, down from 7.0% at the end of 2020. In general transaction volumes in other sectors such as hotels, offices and residential recovered last year, but remained below pre-pandemic levels and yields were either stable, or fell by up to 0.25%. The exceptions were care homes, shopping centres and leisure parks which remained generally illiquid, due to concerns about weak covenants.

We expect all property total returns to average 5-7% per annum over the three years to end-2024. While industrial is likely to remain one of the best-performing sectors, we think that the favourable fall in industrial yields has now largely run its course and that the gap in returns between it and other sectors will therefore narrow. Retail parks and grade A offices should also out-perform, with the former supported by a relatively high income return of 6% and the latter benefitting from a steady increase in prime office rents in London and other winning cities. By contrast, shops, shopping centres and secondary offices are likely to under-perform. We think that certain niche types, including self-storage, social supported housing and retirement villages should also out-perform.

Fund commentary and key activity

Over Q4 and since quarter end, the Fund has concentrated on developing the income return and building on its pipeline of transactional activity to drive performance. 25 new lettings and lease renewals were completed over the course of the quarter, along with four rent reviews.

Transactions and asset management update

Acquisitions and strategic disposals

The Brewery, Romford

Since quarter end, SREF has formed a 50:50 joint venture with a Schroders Capital managed, pan-European strategy to acquire “The Brewery”, a supermarket-anchored retail warehousing and leisure scheme in Romford, Greater London for £162 million, reflecting an attractive net initial yield of 7.3%. Contracts have exchanged unconditionally and completion is expected to be on 3 February.

The Brewery is located adjacent to the new Romford Crossrail station and comprises of a 21-acre freehold site with 545,478 sq. ft of retail and leisure space anchored by national operators including a Sainsbury’s superstore, Nuffield Health, The Range, Boots, a 16-screen Vue Cinema and several food and beverage outlets including Wagamama, Starbucks and Costa Coffee. There are also 1,750 car parking spaces representing a ratio of 1:312 spaces per sq. ft.

The asset produces a total passing rent of £12.43 million per annum (SREF share is £6.2 million per annum), representing an average rent of £19.72 per sq. ft, excluding car park income. The asset has a low void rate of 2.1% and a weighted average unexpired lease term to expiry of 6.25 years.

The Brewery generates consistently strong tenant trade and ample opportunities for our team to perform asset management initiatives both in the short- and longer-term to create long-term sustainable income growth and strong returns for SREF. The site also offers significant future redevelopment potential for residential, commercial and other uses.

The Brewery benefits from BREEAM in-use accreditation and the business plan will enhance sustainability performance in line with SREF’s commitment to maximising future resilience and creating desirable spaces that meet evolving occupational requirements.

The acquisition is in line with SREF’s strategy to increase income and acquire assets with good fundamentals offering longer-term opportunities to generate significant capital performance from active asset management.

New lettings and renewals

25 new lettings and lease renewals were completed over the course of Q4 across the portfolio, along with four rent reviews.

Industrial leasing transactions

At Acorn Industrial Estate in Crayford, five new lettings and lease renewals completed over the quarter, along with four rent reviews. These nine transactions generated a combined additional rent of £329,681 per annum at the scheme, with the four rent reviews producing a combined 22.6% increase on previous passing rent.

At Hartlebury Trading Estate, two new leases were agreed at the estate in Q4, including a new letting to G Plan Upholstery, who has completed on a 5-year lease on 31,300 sq. ft at £140,000 per annum, reflecting £4.50 per sq. ft, 6% ahead of estimated rental value (ERV) of £4.25 per sq. ft. Development of six new industrial units totalling 58,000 sq. ft at Hartlebury is also progressing well, with a target completion in the first half of 2022. A pre-let has been agreed on 30,000 sq. ft, with strong interest in the remainder.

Self Storage

Flexiss was appointed as the new manager on SREF’s 230,000 sq. ft, South-East self-storage portfolio. The portfolio will continue to trade under the existing self-storage company branding and Flexiss will use its experience in the sector and sophisticated management technology to maximise income performance and identify new investment opportunities. The Fund continues to consider further investment opportunities in the sector in order to expand the existing platform further.

Occupier engagement and Covid-19

The fund’s rent collection for the September Quarter Day (rent for Q4) totals 86.4% in aggregate. Given the defensive qualities of the portfolio, rent collection remains consistently high, despite the impact of Covid-19 on occupier revenues. Whilst the number of rent concession requests has now reduced, the team continues to engage on a regular basis directly with occupiers across the portfolio.

Liquidity management

The promotion of an active secondary market in SREF remains an important tool to enhance liquidity for investors, and helps maintain a stable capital base to enable the delivery of asset management activities.

SREF completed £275 million of secondary market transactions over 2021, which is a record volume equating to approximately 12% of the total shares in issuance. Pricing tightened materially over the course of the year with strong buy-side demand, and the Fund has most recently traded at a premium of NAV +2%.

The management of SREF's liquidity will, at all times, comply with the binding terms included in the Fund's Prospectus and Instrument of Incorporation.

Q4 2021 Fund update webinar

The SREF Q4 webinar will take place on 2nd February from 09:00am-10:15am GMT. Investors will have received an invitation to register via email. If you have any queries related to attendance or registration please contact realestate@schroders.com.

Strategy and sustainability

Strategy summary

The Fund's key strategic priorities for 2022 are focussed on building income and total returns through active management, capitalising on inherent opportunities within the Fund, and selectively recycling low-yielding capital into attractive segments of the market. Following the acquisition of The Brewery, further sub-sectors of interest include alternatives (such as self-storage, student accommodation, and residential), as well as opportunistic industrial assets. We will look to maintain a robust and well-diversified occupier base across a high quality portfolio of assets which we believe will continue to succeed as polarisation within the office sector grows, benefitting from resilient sustainability credentials and which will remain fit-for-purpose as tenant requirements continue to evolve.

Sustainability: EU Sustainable Finance Directive

Following the introduction of the EU Sustainable Finance Directive on 10 March earlier this year, SREF had updated its Prospectus to ensure it complied with the regulatory requirement for an Article 6 strategy, including appropriate environmental, social and governance risk considerations. New binding ESG targets are currently being reviewed by the FCA as the Fund is targeting an upgrade in its status to Article 8 classification, which will cement our commitment to enhanced ESG performance facilitate international marketing of the Fund, potential for liquidity and stability of the capital base. We anticipate the new Prospectus will be available during Q1 2022.



The Brewery, Romford

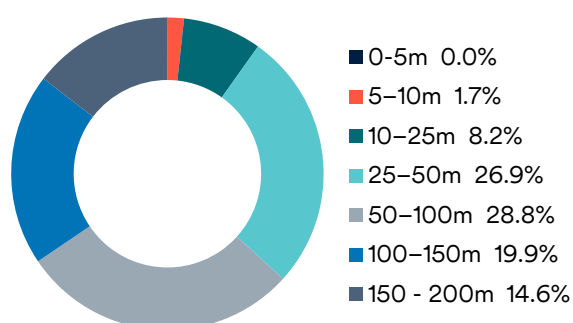


Hartlebury Trading Estate

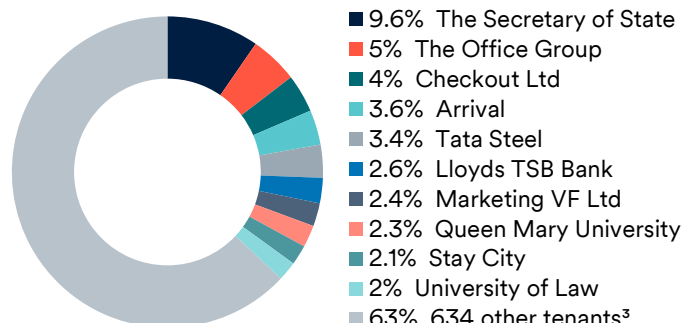
Portfolio analysis

Segment	Absolute segment positions, %		Relative segment positions, % ¹	
	SREF	Benchmark	Underweight	Overweight
Offices – Central London	10.7	11.4	-0.7%	
Offices – South East ²	31.1	9.1		22.0%
Offices – Rest of UK	4.4	5.2	-0.8%	
Industrial – South East	21.7	25.9	-4.2%	
Industrial – Rest of UK	8.6	13.8	-5.2%	
Standard retail – South East	3.7	4.6	-0.9%	
Standard retail – Rest of UK	1.7	1.9	-0.2%	
Shopping centres	0.5	0.9	-0.4%	
Retail warehouses	4.5	10.6	-6.1%	
Other	8.9	10.2	-1.3%	
Cash	4.1	6.5	-2.4%	

Lot size bands, by GPV²



Tenant profile, % contracted rent



Top Ten Holdings	Sector	% of NAV
Building 1, Ruskin Square, Croydon	Offices	8.0%
Wenlock Works, Shepherdess Walk, London	Offices	6.4%
Acorn Industrial Estate, Crayford	Industrial	5.9%
Building 2, Ruskin Square, Croydon	Offices	4.8%
Bracknell Town Centre	Retail and Office	4.3%
One Lyric, Hammersmith, London	Offices	4.1%
Hartlebury Trading Estate, Worcestershire	Industrial	3.7%
City Tower, Manchester	Mixed Use	3.2%
Woking Business Park, Woking	Industrial	3.0%
Kensington Village	Offices	2.7%

Source: Schroders, 31 December 2021, figures subject to rounding.

¹Positions relative to AREF MSCI UK Quarterly Property Fund Index – All Balanced Property Fund Index Weighted Average. Absolute deviation vs. benchmark is 44.2%; ²Of SREF's 31.1% allocation to South East offices, 42.1% comprises offices let or pre-let to the UK Government in Croydon; ³GPV: gross property value; ⁴Look through analysis.

The sectors, securities, regions and countries shown above are for illustrative purposes only and are not to be considered a recommendation to buy or sell.

Shareholder information

Minimum investment	£100,000
Total expense ratio (TER) ¹	0.75%
Annual management charge (AMC)	Tiered structure with discounts for scale Headline rate of 0.70% per annum
Frequency of pricing	Monthly
Valuation point	8am on the first business day of each calendar month
Distribution frequency	Monthly paid last business day
Distribution yield (% NAV) ²	2.8%

Shareholder dealing

Subscriptions	Monthly
Redemptions	Quarterly, subject to 3 months' notice at quarter end
Dealing cut off	12 noon on the last Business Day of the calendar month
Secondary market dealing	Please phone Freya Petty on +44 (0)207 658 7904
Number of shares in issue	48,568,223
NAV per share	£51.73
Offer price per share	£53.86
Bid price per share	£50.99
Pricing methodology	Dual priced
Offer spread ³	NAV +4.1%
Bid spread ³	NAV -1.4%
Number of new shares issued – Q4 2021	633,123
Number of shares redeemed – Q4 2021	0
Number of shares matched – Q4 2021	1,046,139

Related party holdings

Related party	Shareholding
None	

Fund literature

Sustainable Investment	https://www.schroders.com/en/uk/realestate/products--services/sustainability/
SREF Prospectus	http://www.schroders.com/sref
Audited Annual Report and Accounts	http://www.schroders.com/sref
Dealing forms	http://www.schroders.com/sref

Investment parameters

Legal limits	PAIF Limit (%)	Current status (%)
Minimum % of assets (NAV) forming Property Investment Business	60%	100%
Minimum % of income from Property Investment Business	60%	100%
Aggregate exposure to indirect investment	40%	0.3%
Investment in a single asset	15%	8.0%
Commitment to development ⁴	20%	5.6%
Borrowing ⁴	25%	0.2%
Shorter/medium term leaseholds (< 50 years) ⁴	20%	0.0%
Speculative development	15%	0.9%

⁴On/off balance sheet.

Fund codes

	ISIN	SEDOL
Schroder UK Real Estate Fund (gross)	GB00B8215Z66	B8215Z6
Schroder UK Real Estate Fund (net)	GB00B8FPXR30	B8FPXR3
Schroder UK Real Estate Fund Feeder Trust	GB00B8206385	B820638

¹Calculated in accordance with industry standard Association of Real Estate Fund guidelines which include fees charged by the Investment Manager, Property Adviser, Depositary, Registrar, Auditor, Legal Adviser and Valuation Agent.

²Calculated gross of tax, net of fees and expenses. Distributions are paid monthly on the last business day of each calendar month. Yield presented is annualised backwards-looking distribution yield.

³Offer and bid spreads are reviewed monthly and are subject to change.

Source: Schroders, 31 December 2021.

Further information

Freya Petty

Manager, Real Estate Capital

For general enquires and placing trades

Phone: +44 (0)207 658 7904

freya.petty@schroders.com

www.schroders.com/realstate

HSBC

Registrar

For all fund servicing queries

Phone: +44 (0)345 030 7277

SREF@hsbc.com

For your security, communications may be taped or monitored.

Important information

For professional clients only.

Past performance is not a guide to future performance and may not be repeated.

The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

The Schroder UK Real Estate Fund is authorised by the Financial Conduct Authority (the 'FCA') as a Qualified Investor Scheme ('QIS'). Only investors to whom a QIS can be promoted, as specified in COBS 4.12.4R of the FCA's Handbook, may invest in Schroder UK Real Estate Fund. A QIS may not be promoted to a member of the general public. Investors and potential investors should be aware that past performance is not a guide to future returns. No warranty is given, in whole or in part, regarding the performance of the Fund and there is no guarantee that the investment objectives of the Fund will be achieved.

This information is not an offer, solicitation or recommendation to buy or sell any financial instrument or to adopt any investment strategy. Information herein is believed to be reliable but we do not warrant its completeness or accuracy. Any data has been sourced by us and is provided without any warranties of any kind. It should be independently verified before further publication or use. Third party data is owned or licenced by the data provider and may not be reproduced, extracted or used for any other purpose without the data provider's consent. Neither we, nor the data provider, will have any liability in connection with the third party data.

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Risk factors

- Property-based pooled vehicles, such as the Fund, invest in real property, the value of which is generally a matter of a valuer's opinion
- The price of shares and the income from them may fluctuate upwards or downwards and cannot be guaranteed
- It may be difficult to deal in the shares of the Fund or to sell them at a reasonable price because the underlying property may not be readily saleable, thus creating liquidity risk
- There is no recognised market for shares in the Fund and, as a result, reliable information about the value of shares in the Fund or the extent of the risks to which they are exposed may not be readily available
- A potential conflict with the Manager's duty to the shareholder may arise where an Associate of the Manager invests in shares in the Fund. The Manager will, however, ensure that such transactions are effected on terms which are not materially less favourable to the shareholder than if the potential conflict had not existed

The forecasts included should not be relied upon, are not guaranteed and are provided only as at the date of issue. Our forecasts are based on our own assumptions which may change. We accept no responsibility for any errors of fact or opinion and assume no obligation to provide you with any changes to our assumptions or forecasts. Forecasts and assumptions may be affected by external economic or other factors.

This fund does not have the objective of sustainable investment or binding environmental or social characteristics as defined by Regulation (EU) 2019/2088 on Sustainability-related Disclosures in the Financial Services Sector (the "SFDR"). Any references to the integration of sustainability considerations are made in relation to the processes of the investment manager or the Schroders Group and are not specific to the fund.

The Company is generally exempt from UK tax on capital gains realised on the disposal of its investments (including interest paying securities and derivatives). Overseas investors, depending on their tax status, may be liable to capital gains tax (or corporation tax) upon disposal of their holding. Investors who qualify as exempt (including overseas qualifying pension funds, charities and sovereign wealth funds) will benefit from full exemption. Schroders does not provide tax advice and investors should seek advice from professional advisers.

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THREADNEEDLE PROPERTY UNIT TRUST MONTHLY FACTSHEET
AS AT 31/12/2021 (UNLESS OTHERWISE STATED)
SOURCE: COLUMBIA THREADNEEDLE INVESTMENTS (UNLESS OTHERWISE STATED)

Fund Facts



Fund Manager
James Coke
 Since: 01/2021

Fund aim

The objective of the Fund is to provide investors with an indirect investment exposure to a diversified, multi sector portfolio of commercial property assets throughout the UK. The Fund's Investment Advisor seeks to achieve investment returns from the sector by placing particular emphasis on relatively high income returns, strong stock selection and active management of assets.

Launch date

1967

Benchmark¹

MSCI/AREF UK All Balanced Quarterly Property Fund Index

Fund size (Net Fund Value)*

£1,513.4m

Cash Holding (of Net Fund Value)

5.5%

Bid/Offer Spread

7.2%

Annual management charge

0.68% p.a. up to £200m; 0.60% p.a. thereafter

Stated AMC for Unit Class A, based on gross assets of the Fund. Alternative unit classes are available which may attract different fees.

Income distribution

Income is allocated to Unitholders monthly and is paid out at the end of each calendar quarter, or as soon as practical thereafter.

Gross distribution yield

3.89% p.a.

ISA

No

Fund Codes:

Sedol Income: 0508667

ISIN Income: GB0005086672

¹ The Benchmark was Russell/Mellon CAPS Pooled Pension Fund Property Median until 31/12/2013. AREF/IPD UK Quarterly Property Fund Index – All Balanced Property Fund Index Weighted Average until 08/12/2018 and MSCI AREF UK All Balanced Quarterly Property Fund Index thereafter.

For more information on the Threadneedle Property Unit Trust, speak to your usual Columbia Threadneedle Investments contact.

All information expressed in UK Sterling.

Performance %*

Total Return	1 Month	3 Month	12 Month	3 Years	5 Years	10 Years
Threadneedle Property Unit Trust	3.8	7.3	20.0	6.3	7.0	8.0

Performance returns reflect income accrued on a quarterly basis only.

As at 31.12.2021 Annualised returns, NAV to NAV, income reinvested at offer, net of fees.

Portfolio distribution %

Property Portfolio	Fund
Unit Shops	2.2
Shopping Centres	0.0
Supermarkets	1.0
Retail Warehouse	15.0
Total Retail	18.2
Town Centre Offices	23.4
Out of Town Offices	2.8
Total Offices	26.2
Industrial / Warehouse	49.2
Miscellaneous	6.4
Total	100.0

Geographical distribution %

	Fund
London – Inner	7.8
London – Outer	6.9
South East	40.3
South West	6.6
Eastern	3.3
East Midlands	3.8
West Midlands	11.7
Yorkshire / Humberside	7.8
North West	4.3
North East	1.7
Scotland	3.2
Wales	2.6
Northern Ireland	0.0
Total	100.0

Top ten direct holdings %

Description of individual properties	(% of fund value)
Croydon, 19 Commerce Way	3.8
Hayes, Springfield Rd Ind Est.	2.0
London W1, 46 Foley Street	1.9
Trowbridge, Trowbridge & Spitfire Retail Park	1.9
Hampton, Kempton Gate	1.5
Rugby, Unit C Swift Point	1.4
York, Foss Islands Retail Park	1.3
High Wycombe, Stirling Road	1.3
Wokingham, Ashville Park	1.3
London SW1, Warwick House	1.3

Key risks

Please note that past performance is no guarantee of future returns. The value of investments can go down as well as up and the investor may not get back the amount originally invested. It may be difficult or impossible to realise an investment in the Trust because the underlying property concerned may not be readily saleable. The value of the property in the Trust is a matter of a valuer's opinion.

The Fund may enter into transactions in derivatives and similar instruments. Please note that the use of these types of investments may have a gearing effect, which may create additional risk by raising the Trust's exposure to capital risk and interest costs. In some circumstances the use of gearing can also affect the eligibility of the Trust for certain investors.

Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

The fund invests in assets that are not always readily saleable without suffering a discount to fair value. The portfolio may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity.

Risk & volatility statistics %

	3 years	5 years
Absolute Volatility	5.28	4.17
Tracking Error	0.92	0.74
Information Ratio	0.12	-0.02
Beta	1.02	1.02

Data is based on quarterly observations. Benchmark is the MSCI/AREF All Balanced Property Fund Index as at 31.12.2021.

Important information

In the UK, the Trust is an unregulated collective investment scheme for the purposes of Section 238 of the Financial Services and Markets Act 2000. Accordingly, this document may only be communicated in the UK to persons described in the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) Exemptions Order 2001 and to persons whom units are permitted to be promoted in accordance with the FCA's Conduct of Business rules. Approved for UK purposes by Threadneedle Asset Management Limited and Threadneedle Portfolio Services Limited. Authorised and regulated by the Financial Conduct Authority.

In Jersey, the Trust, which is regulated by the Jersey Financial Services Commission, is treated as an unclassified fund for the purposes of the Collective Investment Funds (Jersey) Law 1988. Units in the Trust may only be promoted in accordance with the aforementioned legislation.

This document should not be circulated to private investors.

This document does not constitute or form any part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase, any units nor shall it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefore. Recipients of this document who intend to apply for units are reminded that any such application may be made solely on the basis of the information and opinions contained in the prospectus and seek independent taxation advice.

Threadneedle Investments (Channel Islands) Limited
Registered No. 82489. Registered in Jersey.
Registered Office: IFC 1, The Esplanade, St Helier, Jersey, JE1 4BP
Regulated by the Jersey Financial Services Commission.

Telephone calls may be recorded.

Threadneedle Property Unit Trust

Quarterly Report as at 30 September 2021

Confidential

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Mandate Summary

Contact Information



Fund Manager	James Coke
Client Director Property	James Allum
Institutional Client Director	Moira Gorman
Institutional Client Director	Andrew Brown
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Client Services Team	clientservices@columbiathreadneedle.com
Consultant Relations Team	consultantteam@columbiathreadneedle.com

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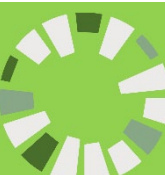

Mandate

Threadneedle Property Unit Trust is an unclassified open-ended unit trust originally established in 1967. The Fund has been domiciled in Jersey since 2002. The objective of the Fund is to provide indirect investment exposure to a diversified portfolio of property assets in the United Kingdom. Unitholders have a right to the income of the Fund, which is allocated monthly and paid at the end of each quarter. As Investment Advisor to the Fund, Columbia Threadneedle Investments follows a longstanding consistent investment approach to deliver long term outperformance against the Fund's MSCI/AREF UK All Balanced Property Fund Index benchmark.

Fund Information

- Total Assets GBP 1,423 million
- Benchmark MSCI/AREF UK All Balanced Property Funds
- Base currency GBP
- Reporting currency GBP
- Bid 291.49
- Offer 312.65
- NAV 295.09
- Jersey domiciled property unit trust.
- Income distributed quarterly (can be reinvested)
- Prices and deals at month ends.
- Bid/offer spread maximum of 7.2%

Portfolio Highlights

	NAV £1.42 billion		174 properties		Average lot size £7.6 million
	746 tenancies		Gross rent roll £76.4 million p.a.		WAULT 4.7 years (6.5 years)
	Vacancy rate 6.5% (9.6%)		Net Initial Yield 5.4% (4.5%)		Equivalent Yield 6.4% (5.7%)
	Cash 5.7% (6.2%)*		GRESB Rating 75/100		Total return 13.5% (13.1%) (12 months net Nav to Nav)

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Source: Threadneedle Property Unit Trust, MSCI UK Monthly Property Index (figures in brackets) and *MSCI/AREF All Balanced Property Fund Index net debt % NAV, all as at 30 September 2021

Market Commentary

Macroeconomy

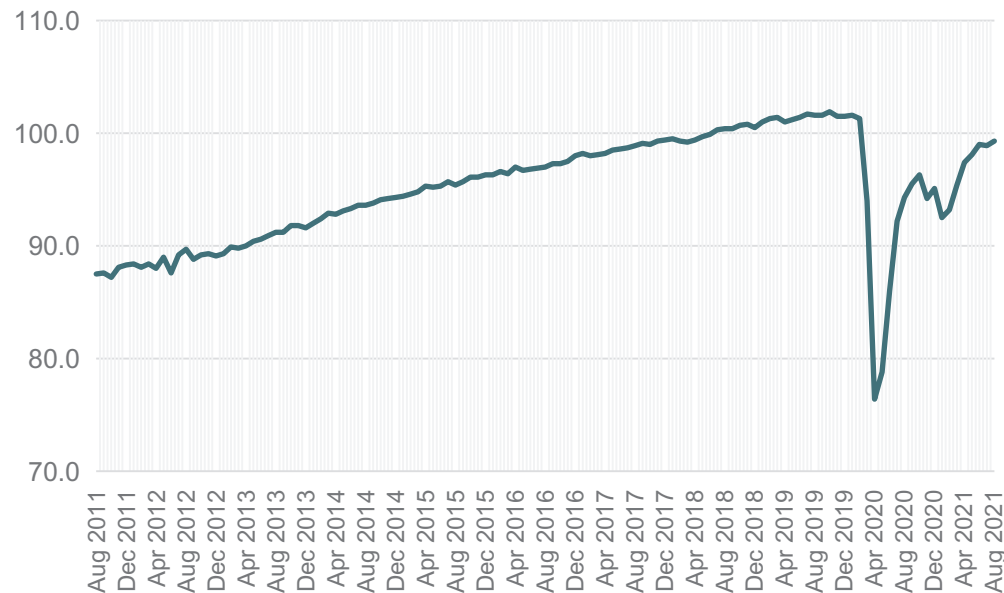
The UK economy has continued its post lockdown recovery, largely fuelled by a surge in consumer spending following the easing of social distancing restrictions and the success of the vaccination rollout. The economy is now 0.8% below its pre-pandemic level after recording estimated growth of 0.4% in August 2021 and 0.1% in July 2021, although notably slower than the 4.8% recorded in Q2 reflecting the rise in Covid infections and subsequent “pingdemic.”

Unemployment continues to decline, currently at 4.5% down from 4.6%, with ONS figures suggesting over one million job vacancies in the three months to August, the first time since records began. Whilst the return to pre-pandemic employment levels is welcome, concerns remain over labour shortages impacting on the pace of economic recovery.

Inflationary pressures continue to be felt as a result of rising fuel and energy prices – as at September, annual CPI stood at 3.1%, marginally down from 3.2% in August, though still significantly above the Bank of England’s target of 2.0%. The Bank of England has revised their forecast and estimate inflation to exceed 4.0% by year end before reverting to c3.0% in 2022.

In response to these inflationary pressures, an interest rate rise in H1 2022 remains a possibility, and is already anticipated by money markets.

10-year UK GDP (Indexed)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index and LSH UKIT Q3 2021 report as at 30 September 2021.

Market Context

Market Commentary (continued)

Investment volumes

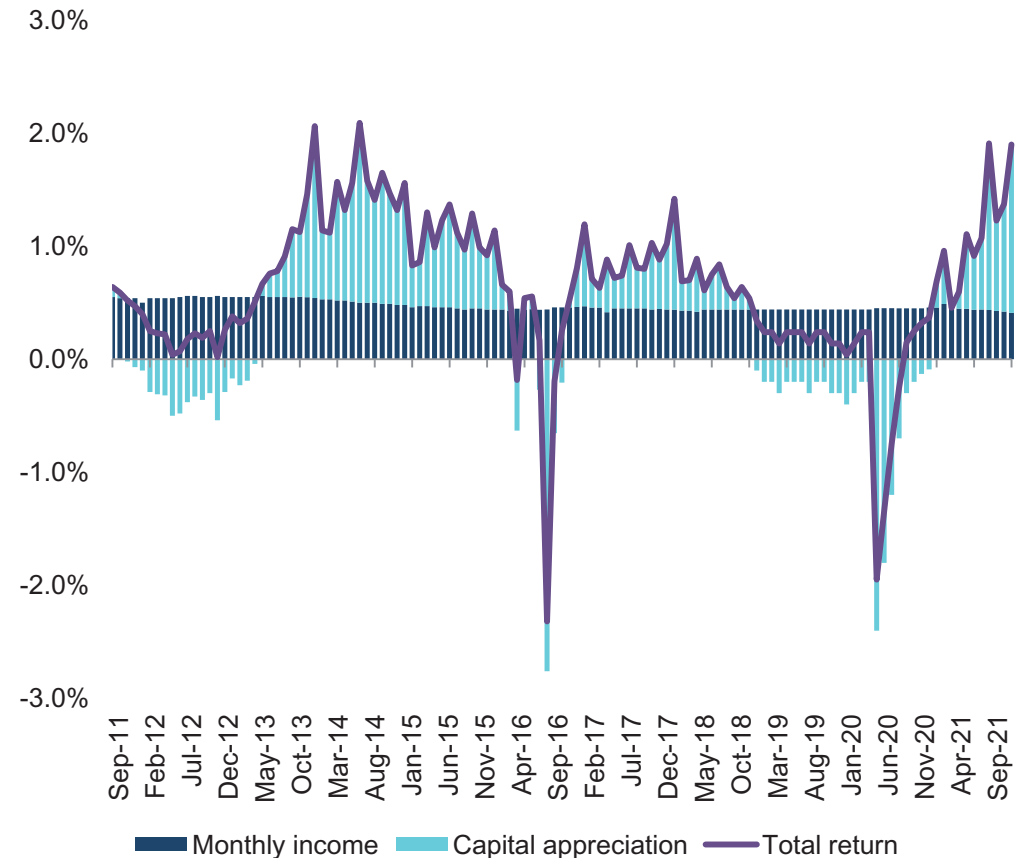
Total UK commercial property investment volumes reached £13.5bn for Q3 2021 representing a 2.5% increase on the 5 yearly quarterly average of £13.1bn. This reflects a consecutive quarter of pre-pandemic transactional levels, highlighting the renewed investor confidence in the UK property markets.

Returns

Total returns for the UK property market continue to be positive, accelerated by a recovery in All Property capital values reflecting increased confidence. As represented by the MSCI UK Monthly Property Index, the market generated total returns of 4.5% for Q3, comprising an income return of 1.2% and capital growth of 3.3%. The performance is largely driven by the continued capital value growth in the industrial/logistics sector and the resurgence of the retail warehousing sector, which has benefited from growing investor recognition given its resilience to e-commerce and relevance to future shopping habits.

Valuation movements reflected the acceleration of existing trends and the recovery of the wider economy. The industrial sector recorded capital value growth of 6.2%, while retail capital value growth grew to 3.2% (driven by the retail warehousing sub-sector recording a 5.8% gain). The office sector saw neutral capital growth as the uncertainty prevailing in the occupational markets continues as result of a structural change in working habits, albeit an improvement on the 0.3% decline in Q2. Sentiment is expected to improve further into Q4 and H1 2022 following the 19th July end of working from home legislation.

10-year UK Commercial property total returns (Monthly)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index and LSH UKIT Q3 2021 report as at 30 September 2021.

Market Context

Market Commentary (continued)

Occupational trends

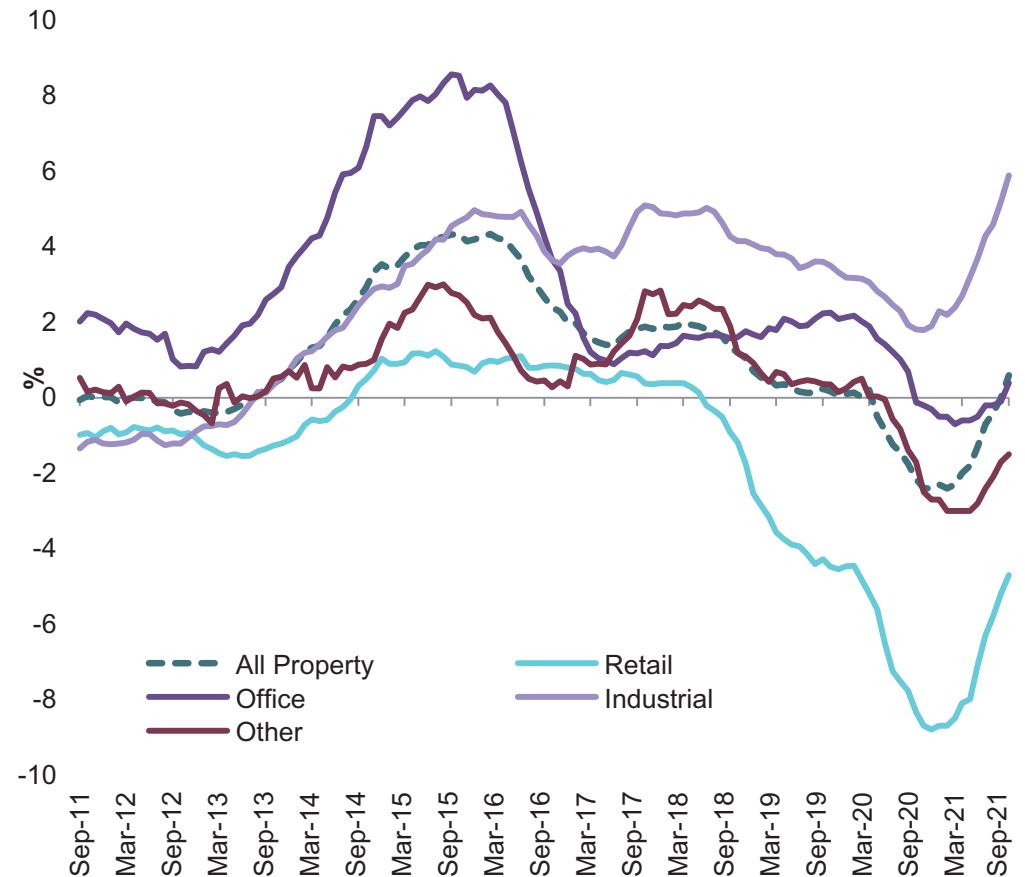
In line with capital market trends, occupier markets have been boosted by the increase in consumer and business confidence. The industrial sector has seen consecutive performance largely as a result of diminishing availability causing inflationary pressure on rents. The sector recorded rental value growth of 1.8%. The retail sector saw rental declines of -0.4%, whilst the office market saw continued growth at 0.3%, despite the structural headwinds of future working behaviours.

Outlook

The “All Property” Net Initial Yield at the end of September 2021 compressed 10bps to 4.7% and currently just 14 bps above the previous peak at 4.57% recorded in 2007, reflecting the strong capital gain evidenced above. With the Base Rate (0.1%) and ‘risk free’ rate of 10-year Gilts (0.7%) at such low levels, the commercial property market continues to assert its highly attractive relative income attributes. Whilst gilt yields continue to rise marginally (up from 0.2% at the start of 2021), property yield compression is unlikely to be tempered as the current spread reflects a generous risk premium which should absorb modest interest rate rises over the short term.

As we enter the final quarter, the UK property investment market shows no signs of slowing, with a significant weight of capital pursuing limited supply. Inflationary pressure may see further allocation of capital to the property markets as investors seek real assets that offer secure income shielded from its effects.

10-year UK Commercial property rental value growth (Annualised %)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index and LSH UKIT Q3 2021 report as at 30 September 2021.

Fund Overview – Q3 2021

Material Changes

- There are no material changes relating to arrangements for managing the liquidity of the Fund.

Portfolio Activity

- The Fund continues its successful programme of selling non-core assets, typically targeting private investors attracted by the gross yields offered by the high street retail sector, as a means to generate liquidity and maximise future fund performance potential. The sales programme has also focused on uneconomic, capex intensive offices, targeting overseas and family office buyers. During the quarter the Fund sold a total of 16 assets, of which nine were high street assets and three offices, generating total gross sales receipts of £44.4 million. Of these transactions, six high street assets were sold at auction, generating an average premium of 17.1% above the prevailing independent valuations. The highlight transaction of the quarter was the sale of a part vacant multi-let office in Bristol, Royal London Buildings, to an overseas buyer for £6million, representing an 8.6% premium to valuation.

Rent Collection

- The Fund continues to work with its tenants on a case-by-case basis to agree appropriate strategies for rent collection having regard both to government legislation, industry guidance and the cash flow position of its occupiers' businesses. As a result of the work undertaken by its asset and property managers, rent collection for the quarter stands at 93% (as at 21st Oct 2021).

Liquidity

- The fund continues to maintain a robust liquidity position with cash of £79.9m equivalent to 5.6% of NAV. We continue to monitor liquidity closely as a means to protect the Fund against any residual market volatility, and to exploit buying opportunities should they arise.

Performance

- The fund returned a third consecutive quarter of outperformance, delivering a total return of 4.7%, +0.2% against its benchmark. The continued outperformance is reflective of the strategic approach to a defensively positioned fund with high relative income yields, significant portfolio diversification and the potential to add value through proactive asset management. The Fund's total returns continue to be supported by a high relative distribution yield of 3.9%, 22% above the benchmark level of 3.2% as of 30 September 2021.

Attribution

- During the 12 months ending 30 September 2021, the fund's directly held property assets generated relative total returns of +2.3% against the broader property market (as represented by the MSCI UK Monthly index). This was achieved through a positive relative income return of +0.9% and positive capital value growth of +1.4%. The fund's retail assets performed better than the wider market by +9.9%, delivering a total return of 18%. Offices, however, underperformed by -2.0% relative to market, producing a total return of 0.9%. The Fund's strategic overweight Industrial position has seen total returns from the sector outperform the market by +0.2%. The fund's 'other' assets returned to outperformance for the first time this year, as a result of the leisure sector recovery, recording a total return of 6.2% (+2.1% against benchmark). (Source: MSCI, TPUT directly held assets compared to the MSCI UK Monthly Property index – September 2021).

Outlook

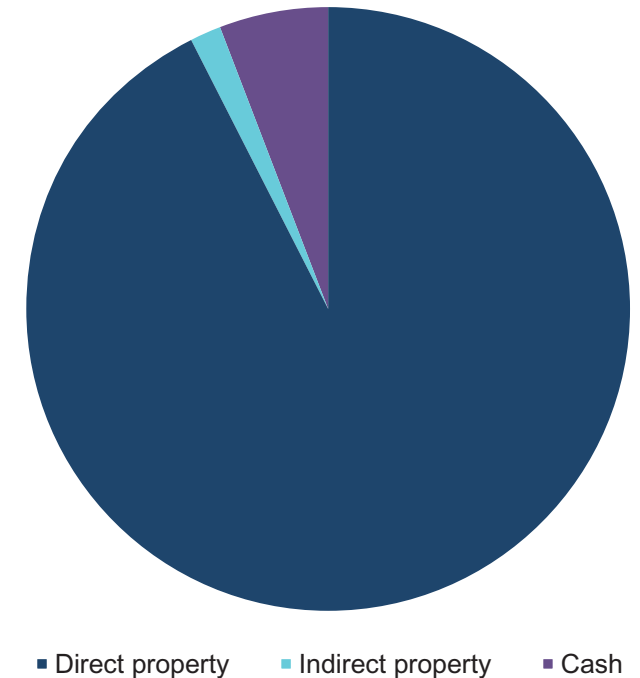
- As the UK economic recovery continues to demonstrate sustained monthly growth, we continue to believe the Fund is well placed to capture further positive relative performance through its enduring focus on actively managing property assets to generate a high and sustainable-income yield advantage from a diverse asset and tenant base. The Fund's property assets currently offer a Net Initial Yield of 5.4% against 4.5% offered by the MSCI UK Monthly Index. The Fund's overweight positions to regional industrials and retail warehouses should provide positive performance prospects over the course of Q4 2021 and indeed H1 2022 on a relative basis.

Portfolio Characteristics

Net Fund Value	£1,423 million
Asset exposure	Property, Cash, Indirect
Cash	5.6%
Indirect	1.9%
Number of properties excluding indirect	174
Average lot size	£7.6 million
Total gross passing rent	£76.4 million p.a.
Number of occupied tenancies	746
Key tenants	Top 10 tenants form 16.6% of total rent roll.
Portfolio turnover ratio	-8.59%

	TPUT	MSCI Monthly Index
Net Initial yield	5.4%	4.5%
Equivalent yield	6.4%	5.7%
Distribution yield*	3.9%	3.2%
Average term to break	4.7 years	6.5 years
Vacancy rate	6.5%	9.6%

Fund composition



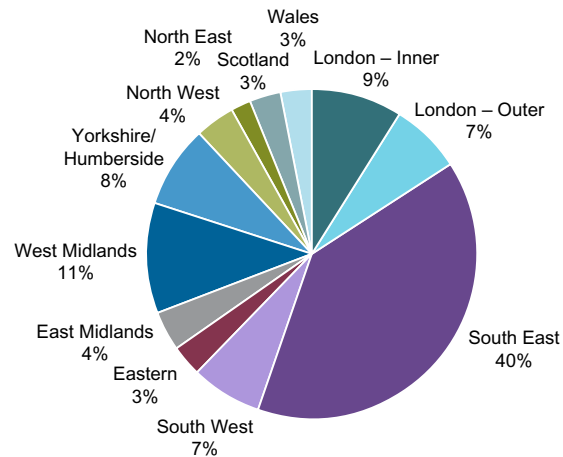
Source: Columbia Threadneedle Investments and MSCI UK Monthly Property Index as at 30 September 2021.

*Source: Columbia Threadneedle Investments as at 30 September 2021 compared to MSCI/AREF UK All Balanced Property Funds Weighted Average.

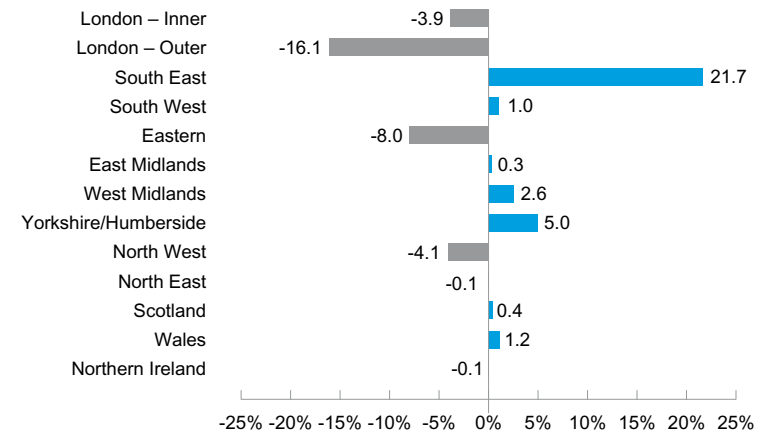
Distribution yield as at 30 September 2021

Portfolio Sector and Geographical Positioning

Portfolio weighting – geographical split

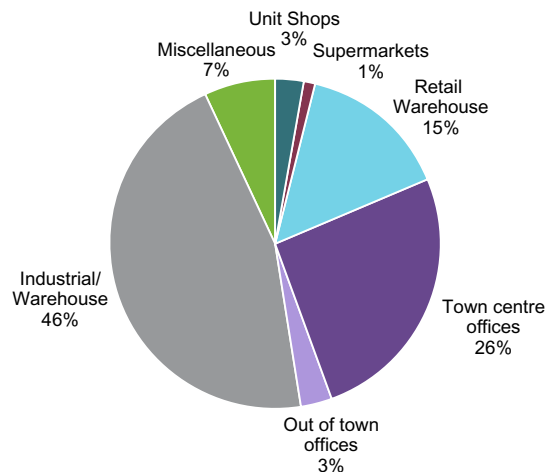


Relative portfolio weighting (%) versus MSCI Monthly Index

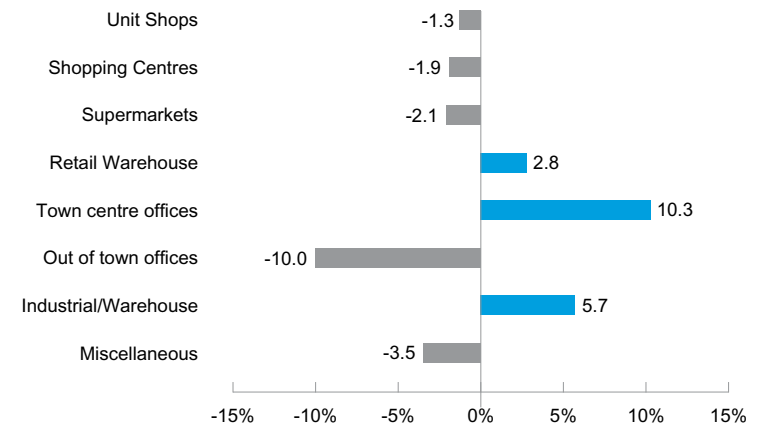


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Portfolio weighting – sector distribution



Relative portfolio weighting (%) versus MSCI Monthly Index

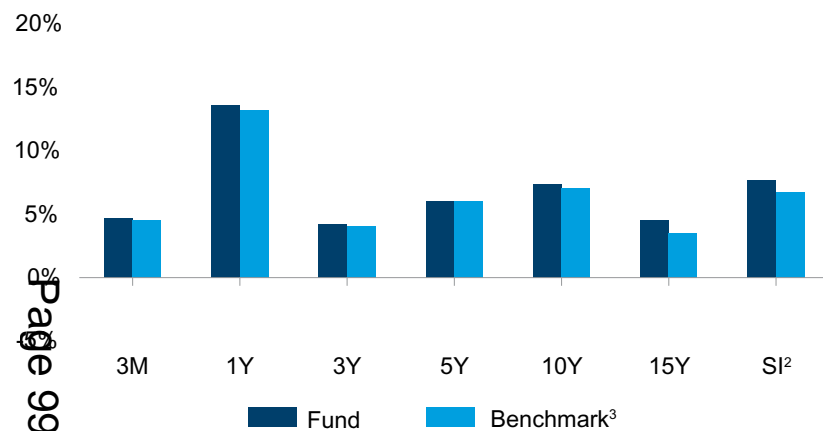


Source: Columbia Threadneedle Investments and MSCI UK Monthly Property Index as at 30 September 2021

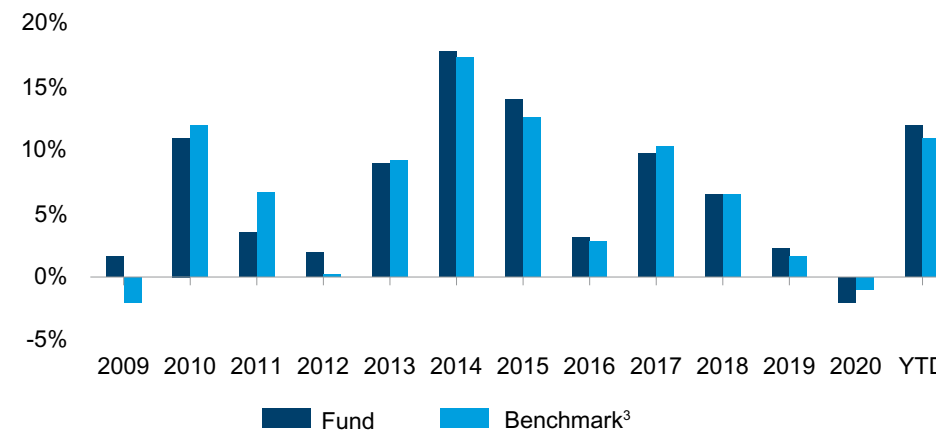
Performance

Long Term Performance

Discrete periods¹



Calendar Years



Fund Performance

Annualised Performance

	3M %	YTD %	1Y %	3Y %	5Y %	10Y %	15Y %	SI* %
Fund	4.7	11.9	13.5	4.2	6.0	7.3	4.5	7.6
Benchmark**	4.5	10.9	13.1	4.0	6.0	7.0	3.5	6.7
Relative (Arithmetic)	0.2	1.0	0.4	0.2	0.0	0.3	1.0	0.9

Source: AREF/IPD 31 March 1999

* Since Inception – January 1999

** MSCI/AREF UK All Balanced Property Funds Weighted Average. Based on NAV to NAV (net of fees) from 1/01/2014. Historical returns are for information purposes only.

Notes: 1. Periods > one year are annualised.

2. SI = Since Inception. 31 March 1999 Columbia Threadneedle Investments was appointed investment advisor to the Trust in November 1998.

3. Benchmark shown is the benchmark of the fund, as detailed on page 3.

Source: Portfolio – Columbia Threadneedle Investments. Based on NAV to NAV (net of fees).

Benchmark – MSCI/AREF UK All Balanced Property Funds Weighted Average. Based on NAV to NAV (net of fees) from 1/01/2014. Historical returns are for informational purposes only.

Top 10 Direct Holdings and Tenants

Property

Location	Name	Sector	Lot size (£m)
Croydon	19 Commerce Way	Industrial / Warehouse	25-50
London W1	46 Foley Street	Town Centre Offices	25-50
Trowbridge	Trowbridge & Spitfire Retail Park	Retail Warehouse	25-50
Payes	Springfield Rd Ind Est.	Industrial / Warehouse	10-25
High Wycombe	Stirling Road	Industrial / Warehouse	10-25
London SW1	Warwick House	Town Centre Offices	10-25
Hampton	Kempton Gate	Industrial / Warehouse	10-25
St Albans	Abbey View	Town Centre Offices	10-25
York	Foss Islands Retail Park	Retail Warehouse	10-25
Wokingham	Ashville Park	Industrial / Warehouse	10-25

Tenant

	% of rents passing
B & M Retail Limited	3.1
Tesco PLC	2.3
Travis Perkins PLC	2.0
DSG Retail Limited	1.9
AMC UK Holdings Limited	1.4
Neuheim Lux Group Holding V SARL	1.4
Envy Post Production Limited	1.2
Missouri Topco Limited	1.1
Xpediator PLC	1.1
Norton Group Holdings Limited	1.1

Source: Columbia Threadneedle Investments as at 30 September 2021

Investment Activity – Key Purchases and Sales Over Q3 2021

Property	Quarter	Sector	Price (£m)	Net Initial Yield
Purchases				
Unit 13, Orion Park, Crewe	Q3 2021	Industrial	0-2.5	6.0
Sales				
45 High Street, Worcester	Q3 2021	Unit Shop	0-2.5	8.5
1 Park Street, Bristol	Q3 2021	Miscellaneous	0-2.5	7.4
27 Westbury Road, Bristol	Q3 2021	Unit Shop	0-2.5	8.2
Asda, 215 Brixham Road, Paignton	Q3 2021	Supermarket	5-10	5.2
South Dales Manor, Sawston	Q3 2021	Industrial / Warehouse	5-10	3.3
Royal London Buildings, Bristol	Q3 2021	Town Centre Offices	5-10	7.1
37/39 Broadwalk, Harlow	Q3 2021	Unit Shop	5-10	11.5
Loxley House, Riverside Business Park, Nottingham	Q3 2021	Out of Town Offices	0-2.5	6.6
Rath House, Slough	Q3 2021	Town Centre Offices	5-10	7.0
Meadowlands Retail Park, March	Q3 2021	Retail Warehouse	5-10	8.5

Source: Columbia Threadneedle Investments as at 30 September 2021
 Figures reflect headline prices and topped up rents where rental top ups provided by vendor.

UK Real Estate: Responsible Investment

Key principles applied in practice



“The real estate industry has a critical role to play in mitigating climate change. We must work collectively to ensure our buildings evolve to deliver against Net Zero targets. Investing in this commitment now will create long-term value for all our stakeholders.”

Joseph Vullo, Head of UK Real Estate

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“We strive to be responsible stewards of our clients capital”



We manage assets in accordance with longstanding ESG principles, enshrined within our UK Real Estate Policy Statement

“It’s everyone’s responsibility”



ESG principles and performance metrics are embedded within our investment, asset management, refurbishment and property management processes

“Investing responsibly is complimentary to our funds’ financial objectives”



As active managers, we continually adapt and improve our assets to reflect market dynamics and ultimately maximise value for our investors

UK Real Estate Responsible Investment update

ENVIRONMENTAL



Page 103

- UKRE Net Zero pathway published
- Fund-level Net Zero pathway work underway
- Top 20 assets: Net Zero and Sustainability reports
- Updated reporting suite drawing together KPIs

SOCIAL



- Annual tenant engagement surveys
- On-going engagement with largest tenants to improve FRI data sharing
- Social Value Assessments trialled – now developing a Social Value Framework

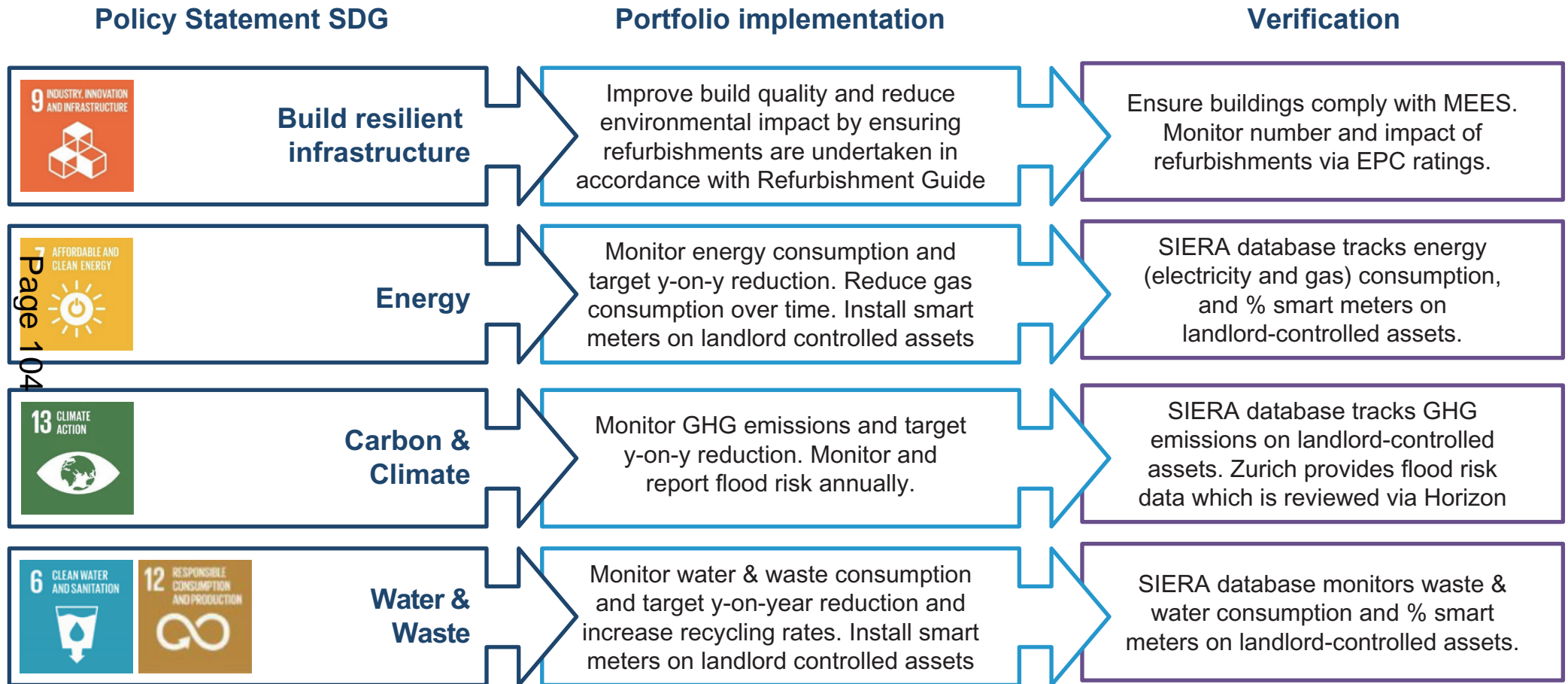
GOVERNANCE



- Robust established governance structures
- ESG governance and oversight framework improved 2021
- Consistently highly scoring in GRESB
- ISAE enhancements to capture ESG

Responsible Investment: Implementation

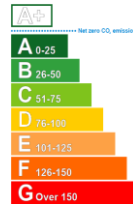
ESG Policy Statement sets a clearly defined Road Map to achieve corporate Sustainable Development Goals



Source: Columbia Threadneedle Investments, as at 30 September 2021.

Responsible Investment: Portfolio Monitoring

Energy performance potential EPCs



- Portfolio coverage: 97.8%
- Average EPC rating: C
- 22 works projects completed (past 12 months)
- 82.1% of refurbishments delivered 'B rating' or better

Carbon and climate GHG emissions / flood risk



- GHG portfolio coverage: 60.2%*
- L-f-L Greenhouse Gas Emissions -27.8%*
- Flood risk portfolio coverage: 100%
- High / extreme risk: 8 assets / 3.4% value

Note: L-f-L = top 20 assets year-on-year change to 31 December 2020

Energy consumption



- Portfolio coverage: 60.2%*
- L-f-L total energy consumption: -21.9%
- L-f-L electricity consumption: -33.0%
- L-f-L gas consumption: -18.0%

Note: Note: L-f-L = top 20 assets year-on-year change to 31 December 2020

Water and waste



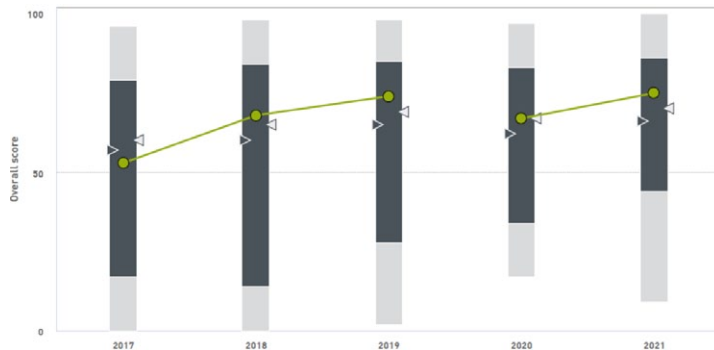
- Water portfolio coverage: 24.5%*
- L-f-L water consumption: N/A
- Waste portfolio coverage: 20.9%*
- L-f-L waste consumption: N/A

Responsible Investment: GRESB



G R E S B
★ ★ ★ ☆ ☆ 2021

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Global Real Estate Sustainability Benchmark

Key takeaways

- Tenth year of the Fund's submission to GRESB
- Scored 75 out of 100 (Peer Average = 69)
- Ranked 25th within its peer group of 102 funds

Strengths

- Management scored 30/30
- Improvements recognised in reporting
- Data monitoring (especially energy and GHG) consistently score well

Areas of improvement

- Building certification (note: inconsistent with Fund strategy)
- Water / waste landlord data coverage currently incomplete
- Engagement with tenants required to improve data coverage on FRI buildings

Responsible Investment: Case Studies



Skydome, Coventry

- 161,900 sq. ft. leisure complex
- Fund's highest energy consuming asset
- Sustainability audits undertaken since 2018, resulting in y-on-y reductions in consumption and GHG emissions
- Cap ex of £1.4 million allocated in 2021 (S/C recoverable) to replace legacy boilers, upgrade and improve the BMC, and replace the roof
- New 359kWp photovoltaic (PV) system using high wattage panels will be installed on the roof
- Forecast to generate approx. 302,404 kWh, meeting approx. 10% of the electricity consumption at the site.



Unit C, Swift Point, Rugby

- 122,000 sq. ft. industrial warehouse
- Full refurbishment: cost £2.0 million (£16 per sq. ft.)
- Previous tenant vacated in December 2019 - £1.35m dilapidations settlement
- Refurbishment to Grade A resulted in EPC improvement from C to B (37) rating
- New letting secured within 3 months of PC
- Achieved rent at £6.25 per sq. ft.* represents an uplift of +15.7% on previous passing rent
- Capital uplift +30.0%

Source: Columbia Threadneedle Investments

ESG Reporting: EPC Data

	2020	April 2021	July 2021	October 2021	Indicative Target
Property assets	199	190	184	173	–
Rateable units	861	849	841	804	–
EPC coverage (% rateable units)	88.6%	93.6%	96.8%	97.8%	100%
EPC rated A (% rateable units)	0.2%	0.4%	0.4%	0.5%	>25%
EPC rated B (% rateable units)	11.3%	15.3%	16.3%	16.9%	>50%
EPC rated C (% rateable units)	34.7%	36.4%	37.1%	38.7%	<25%
EPC rated D (% rateable units)	30.0%	30.0%	31.9%	30.3%	0% by end 2030
EPC rated E (% rateable units)	10.0%	9.7%	10.0%	10.2%	0% by end 2030
EPC rated F (% rateable units)	0.9%	1.1%	0.6%	0.5%	0% by end 2022
EPC rated G (% rateable units)	0.8%	0.9%	0.6%	0.6%	0% by end 2021

Source: Columbia Threadneedle Investments. TPUT direct property portfolio. All data as at 30 September 2021 unless otherwise stated.

ESG Reporting: Energy Consumption

	2018	2019	2020	12-months ending 31 March 2021	Target
Property assets	242	240	198	190	n/a
Landlord managed assets (S/C)	98	97	90	89	n/a
Data coverage: landlord-managed assets (gross floor area)	89%	79%	77%	84%	100%
Tenant managed assets (FRI)	144	143	108	101	n/a
Data coverage: tenant-managed assets (gross floor area)	20.5%	23.0%	29.0%	29.33%	TBA
Data coverage: whole portfolio (gross floor area)	53.4%	55.7%	61.7%	60.18%	TBA
Total portfolio energy consumption – absolute	26,921,092 kWh (12.2%)	25,489,785 kWh (-5.3%)	21,701,092 kWh (-15.0%)	39,620,283 kWh (84.8%)	TBA
Total portfolio electricity consumption – absolute	16,444,766 kWh (21.4%)	17,842,685 kWh (8.5%)	13,773,889 kWh (-30.5%)	27,258,720 kWh (100.8%)	TBA
Total portfolio gas consumption – absolute	10,476,323 kWh (20.9%)	7,577,826 kWh (-27.7%)	6,554,657 kWh (-15.6%)	12,361,563 kWh (89.9%)	TBA

Source: Columbia Threadneedle Investments. TPUT direct property portfolio. All data as at 30 September 2021 unless otherwise stated. Targets to be advised following publication of Columbia Threadneedle Investments' UK Real Estate Net Zero Pathway in 2021

ESG Reporting: Greenhouse Gas (GHG) Emissions

	2018	2019	2020	12-months ending 31 March 2021	Target
Property assets	242	218	198	190	n/a
Landlord managed assets (S/C)	98	92	90	89	n/a
Data coverage: landlord-managed assets (gross floor area)	86%	86%	86%	84%	100%
Tenant managed assets (FRI)	144	143	108	101	n/a
Data coverage: tenant-managed assets (gross floor area)	17.0%	17.6%	29.0%	29.33%	TBA
Data coverage: whole portfolio (gross floor area)	48.8%	50.0%	61.7%	60.18%	TBA
GHG emissions – absolute (year on year % difference)	7,615 tonnes (7.6%)	5,993 tonnes (-21.3%)	3,966.0 tonnes (-33.8%)	8,052 tonnes (105.6%)	TBA

Source: Columbia Threadneedle Investments. TPUT direct property portfolio. All data as at 30 September 2021 unless otherwise stated. Targets to be advised following publication of Columbia Threadneedle Investments' UK Real Estate Net Zero Pathway in 2021

ESG Reporting: Water and Waste Consumption

		2018	2019	2020	12-months ending 31 March 2021	Target
Property assets		242	218	196	190	n/a
Landlord managed assets (S/C)		98	92	90	89	n/a
Data coverage: landlord- managed assets (gross floor area)	Water	39%	39%	31%	33%	100%
	Waste	14%	27%	27%	24%	100%
Tenant managed assets (FRI)		144	143	124	101	n/a
Data coverage: tenant-managed assets (gross floor area)	Water	0	8.0%	8.7%	13.00%	TBA
	Waste	0	13.2%	14.07%	17.00%	TBA
Data coverage: whole portfolio (gross floor area)	Water	15.7%	23.2%	24.0%	24.49%	TBA
	Waste	7.0%	20.0%	21.1%	20.94%	TBA
Total water consumption – absolute		130,373 m ³	279,902 m ³	271,535 m ³	46,787 m ³	TBC
Total waste consumption – absolute		399.00 tonnes	788.72 tonnes	8,795.74 tonnes	1,586.35 tonnes	TBC

Source: Columbia Threadneedle Investments. TPUT direct property portfolio. All data as at 30 September 2021 unless otherwise stated. Targets to be advised following publication of Columbia Threadneedle Investments' UK Real Estate Net Zero Pathway in 2021

ESG Reporting: Flood Risk

Portfolio risk exposure by value	2020 (April)	2021 (April)	2021 (November)	Target
Property assets	200	190	173	n/a
Low	159 75.4%	152 74.8%	137 74.4%	TBA
Medium	31 20.7%	30 21.7%	28 22.2%	TBA
High	5 2.3%	5 2.0%	5 1.8%	TBA
Extreme	5 1.5%	3 1.5%	3 1.6%	TBA

Extreme risk assets	High risk assets
Sheffield, The Square	Derby, 20-25 Albert Street (exchanged to sell)
Bristol, 11-13 Gloucester Road	Bristol, 2 Zetland Road (exchanged to sell)
London E10, Lea Bridge Road	Bristol, 786 Fishponds
	Redhill, Red Central
	Galashiels, Gala Water Park

Source: Columbia Threadneedle Investments. TPUT direct property portfolio. All data as at 30 September 2021 unless otherwise stated

Risk Management Report – Threadneedle Property Unit Trust (TPUT) – September 2021

The key areas of risk impacting this fund as at the end of September 2021 are outlined below:

Key: Low Risk Medium Risk High Risk

RISK DESCRIPTION	SENSITIVITY	MEASURES	RISK COMMENT (Limits exceeded/ positive risks)
Liquidity	Medium – Open ended Fund but Trust Deed provides the manager with the power to control inflows and outflows if in the interests of remaining Unit Holders.	Current target liquidity of 6.5% of GAV with temporary ceiling of 8.5% under Trust inflow protocol.	Liquidity at quarter end: 5.6%
Leverage	Low – Scheme restricts allowable leverage limits	Trust deed permits leverage up to 35% of NAV. Investment Guidelines strategic aim of borrowing at maximum 10% of GAV	Current leverage: Nil
Development	Low – significant spread of property with no current speculative development.	Trust deed sets a maximum 20% of NAV (not let or pre-let). Investment Guidelines restrict to maximum 10% of NAV (not let or pre-let) to be in course of substantial development.	Total Current Development as % NAV: Nil
Market	Medium – Fund exposed to impact of volatility within the market	5 year monthly total return volatility using the IPD all property index	5 year monthly total return volatility as at end-September 2021: 8.47%
Single Occupancy Risk Exposure	Low – good spread and diversity of tenants	Trust Deed: Exposure to single tenant as percentage of total rental income not to exceed 20%. Investment Guidelines: restricted to 10% of total rental income.	Current highest rental income from one tenant: 3.14% of total rental income.
High Value Property	Low – Pre-purchase due diligence and diversity of portfolio.	Trust Deed: Maximum allowable value of any one purchase: 15% of NAV. Investment Guidelines: Maximum 10% of GAV on an ongoing basis.	Largest current property asset as % of GAV: 3.3%
Single Investor	Medium – Monthly dealt fund with no restriction on maximum investment	Optimum maximum exposure of no more than 10% total investment from one single investor	Highest single investment at quarter end: 6.14%
Vacancy Rates	Low – good spread and diversity of tenants	No specific tolerance in Trust Deed but up to 15% of total Estimated Rental Value (ERV) excluding property under redevelopment would be regarded as tolerable.	Total Estimated Rental Value of vacant space at end of quarter: 6.5%
Rental collection	Medium – Large number of properties with rental income focused on wide number of tenants.	Target: 95% of Rental Income to be collected within 21 days of quarter day	Quarter ending September 2021: 84.92% collected at day 21. ¹
Counterparty	Low – Minimal Counterparty Exposure	No Maximum restriction within scheme.	Deposits with single bank at end of quarter: 5.83% of GAV.
Leasehold interest	Low – Low incidence of short leasehold interest	Trust Deed: not more than 15% of NAV to comprise leasehold interests with less than 60 years unexpired.	Value of leasehold properties with less than 60 years unexpired: Less than 1% of NAV

¹ Collection of rent has been significantly impacted by COVID-19 pandemic and is being closely monitored.

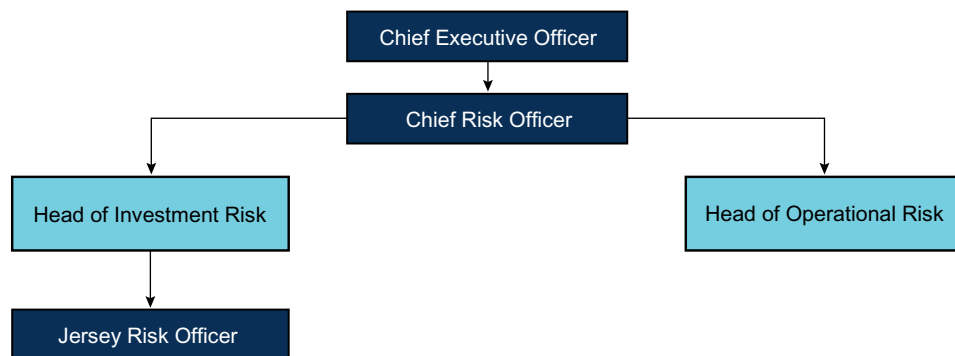
The Columbia Threadneedle Investments EMEA Property Risk Management System

The Columbia Threadneedle Investments EMEA Property Risk Management Team (the “Risk Team”), collectively provides risk management services to all Columbia Threadneedle Investments entities. The Risk Team function is led by the Head of Investment Risk and the Head of Operational Risk reporting to the Chief Executive Officer of Columbia Threadneedle Investments.

The Risk Team:

- Oversees implementation of the risk management policy and procedures;
- Oversees compliance with risk limits within each property fund;
- Provides advice regarding the identification of the risk profile of a Fund;
- Provides regular reports to various Boards and relevant committees on:
 - the consistency between the current level of risk incurred by each Fund and the risk profile agreed for that Fund;
 - the compliance of the Funds with risk limits identified in fund prospectus or investment management agreements; and
 - the adequacy and effectiveness of the risk management process, indicating in particular whether appropriate remedial measures have been taken in the event of any deficiencies;
- Ensures regular reports are provided outlining the current level of risk incurred by the relevant fund and any actual or foreseeable breaches to their limits, so as to ensure that prompt and appropriate remedial action can be taken.

A structure chart of the Risk Team as it relates to property risk is provided below. The Risk Team has an independent reporting line to the CEO of Columbia Threadneedle Investments:



Threadneedle Investments (Channel Islands) Limited as Manager of the Fund have appointed an independent Jersey Risk Officer.

The Jersey Risk Officer oversees regular monitoring of risk data associated with the Fund. Typically, this data comprises a combination of:

- Market price risk data
- Leverage and interest rate risk
- Liquidity and cash flow risk
- Tenant credit rating
- Tenant exposure
- Rental income and collection
- Vacancy rates within the fund

Data is monitored in conjunction with the investment rationale for the property Funds and any Investment Management agreements in place to ensure that the risks faced by the Fund are assessed adequately and controlled appropriately.

The Risk Team is responsible for overseeing the provision of data, risk analysis and recommendations that are reliable, timely and accurate and its performance is the subject of regular periodic reviews by the Columbia Threadneedle Investments (Group level) internal audit function.

Columbia Threadneedle Investments purchases Professional Indemnity insurance in order to cover its perceived risks to a level in accordance with regulatory requirements and commensurate with its needs as a responsible asset manager.

This insurance is purchased as part of the Columbia Threadneedle Investments Group insurance arrangements, is reviewed on an annual basis and is administered by the Property Governance and Insurance Team.

Columbia Threadneedle Investments' fund managers and support staff collectively meet on a monthly basis to discuss all funds and potential impacts/strategy in an open forum, which is attended by the Property Governance and Insurance Team.

Material Changes

Rental collection – The risk rating changed from Green to Red as only 57.55% of rent was collected within 21 days of quarter day due to the current exceptional market environment.

Kevin Mundy
Jersey Risk Officer
September 2021

Glossary of Terms

- **NAV:** The net asset value of the Fund will be calculated as at the last Business Day of each month (a “Pricing Day”). More details are available in the Prospectus.
- **Bid/Offer Spread:** The bid/offer spread on units reflects the costs of buying and selling investments.
- **Initial yield:** The rent passing net of ground rent, NR, as a percentage of the gross capital value, GCV, at the same date.

NR / GCV

- **Reversionary yield:** The open market rental value net of ground rent, NOMRV, as a percentage of the gross capital value, GCV, at the same date.

NOMRV / GCV

- **Equivalent yield:** The estimate of the discount rate which equates the future income flows relative to gross capital value. The equivalent yield discounts the current rental value in perpetuity beyond the last review date recorded for the tenancies in the subset. IPD projected cash flows are estimated from records of current tenant rents, ground rents, open market rental values, rent review and lease expiry dates, and tenant options to break, assuming upward only rent reviews to expiry of the lease and that tenant options to break are exercised when the tenant rent exceeds the market rent.

- **Distribution yield:** Except where indicated, a fund’s distribution yield is the sum of its distributions per unit over 12 months as a percentage of its net asset value per unit at the end of that period. The distributions used in the calculation are those earned/accrued, rather than paid, during the twelve months, and are gross of tax, net of fees.

- **MSCI UK Monthly Property Index:** The MSCI UK Monthly Property Index measures returns to direct investment in commercial property. It is compiled from valuation and management records for individual buildings in complete portfolios, collected direct from investors by IPD. All valuations used in the Monthly Index are conducted by qualified valuers, independent of the property owners or managers, working to RICS guidelines. The Monthly Index shows total return on capital employed in market standing investments. Standing investments are properties held from one monthly valuation to the next. The market results exclude any properties bought, sold, under development, or subject to major refurbishment in the course of the month. The monthly results are chain-linked into a continuous, time-weighted, index series.

- **MSCI/AREF UK All Balanced Property Funds Weighted Average:** The MSCI/AREF UK All Balanced Property Funds Weighted Average Index measures Net Asset Value total returns on a quarterly basis. NAV in Index is the NAV of the index after the elimination of cross-holdings and deduction of management fees. Returns to the MSCI UK Monthly Property Index and to the MSCI/AREF UK All Balanced Property Funds Weighted Average Index are not directly comparable. This is largely because the UK Monthly Index measures the performance only of direct property market investments and because it excludes the impact on returns of developments and transactions. In contrast, returns to the MSCI/AREF UK All Balanced Property Funds Weighted Average Index include the impact of both developments and transactions as well as the returns from other assets (such as cash and indirect property investments), and the impact of leverage, fund-level management fees and other non-property outgoings.

- **Portfolio turnover ratio:** Defined as the total value of the quarterly purchases and sales minus the total value of the funds’ new issues and redemptions expressed as a percentage of the average NAV over the preceding four quarters.

Important Information

For investment professionals use only (not for onward distribution to, or to be relied upon by private investors).

Past performance is not a guide to future performance. The value of investments and any income from them can go down as well as up. This material is for information only and does not constitute an offer or solicitation of an order to buy or sell any securities or other financial instruments, or to provide investment advice or services.

The research and analysis included in this document has been produced by Columbia Threadneedle Investments for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice. Information obtained from external sources is believed to be reliable but its accuracy or completeness cannot be guaranteed.

The funds invest in assets that are not always readily saleable without suffering a discount to fair value. The portfolio may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity. Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

Information for holder of units of the Threadneedle Pension Property Fund: Threadneedle Pensions Limited provides insurance policies that entitle to holder to the value determined with reference to the underlying investment in a pooled pension fund. The holder of a policy does not own the units in the selected fund. Columbia Threadneedle Investments does not give investment advice.

In the UK, the Trust is an unregulated collective investment scheme for the purposes of Section 238 of the Financial Services and Markets Act 2000. Accordingly, this document must not be communicated to retail persons in the UK but may only be communicated to persons described in the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions Order) 2001 and to persons whom units are permitted to be promoted in accordance with the FCA's

Conduct of Business rules. Approved for UK purposes by Threadneedle Asset Management Limited and Threadneedle Portfolio Services Limited. Authorised and regulated by the Financial Conduct Authority. Investors are advised that the protections afforded by the UK regulatory system may not apply to an investment in the Fund and compensation will not be available under the UK Financial Services Compensation Scheme.

In Jersey, the Trust, which is regulated by the Jersey Financial Services Commission, is treated as an unclassified fund for the purposes of the Collective Investment Funds (Jersey) Law 1998. Units in the Trust may only be promoted in accordance with the aforementioned legislation.

This document should not be circulated to private investors.

This document does not constitute or form any part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase, any units nor shall it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefore. Recipients of this document who intend to apply for units are reminded that any such application may be made solely on the basis of the information and opinions contained in the prospectus and seek independent taxation advice.

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Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

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17 February 2022

Report of the Leader of the Council**Establishment of the Staffordshire Leaders Board****Exempt Information**

None

Purpose

To enable Cabinet to consider joining the proposed Staffordshire Leaders Board. The Council along with County Council and the other 7 District and Borough Councils have been meeting to formalise a new Leaders Board to facilitate closer and stronger two tier working and to position this group to enter into discussion with Government for a formal "County Deal".

Recommendations

1. To agree participation in the Staffordshire Leaders Board based on the terms of reference/Constitution attached to this report
2. To appoint the Leader of the Council as the Councils representative on this board, with the Deputy Leader as the substitute member.

Executive Summary

At a meeting of the Leaders and Chief Executives of the County, District and Borough Councils in Staffordshire on the 2 December 2021 the Leaders discussed the strength of the relationship between the nine local authorities and the joint working that was already taking place.

The meeting also considered the opportunities that existed to take this work forward by further joint working, and how this might be further enhanced with the support of a devolution deal ("County Deal") from Government providing additional powers and funding.

The Leaders identified a range of areas where further joint working might be explored in 2022 including:

- a. Climate Change – bringing together strategies, skills and expertise for reaching Net Zero.
- b. Waste – strengthening the waste partnership, exploring greater collaboration on waste collection, and improve recycling.
- c. Economy – continuing to create the right conditions for economic growth, and the creation of more, better-paid jobs and opportunities for the people of Staffordshire.
- d. Improving Public Services – Making it as simple and easy for the people of Staffordshire to interact and engage with local public services.
- e. Health Inequalities –In support of the establishment of the Integrated Care System and the Health and Wellbeing Board, there is an opportunity for local government partners in Staffordshire to work better, together to tackle many issues that have a significant impact on health, such as housing, parks and open spaces, leisure centres and employment.

The Leaders also considered how a County Deal might support joint working within

Staffordshire. It was felt that a County Deal should not be seen as a one-off bid, but the start of a new, ongoing dialogue with central government, that builds on Staffordshire's strengths, and addresses national challenges at a local level. A County Deal will accelerate delivery of the local authorities' ambitious programmes, improve public services, deliver on the Levelling Up agenda, and produce excellent returns for both the people of Staffordshire and the UK. Initially, the Leaders propose to focus on the following priorities:

- a. Climate Change – To place Staffordshire as a leading location for the green economy.
- b. Social Care – To address recruitment pressures in care, ease the pressure on the NHS, and develop innovative solutions that allow Staffordshire people to stay independent, healthy and living at home, for as long as possible.
- c. Logistics – To support the Logistics sector to be innovative, cleaner, greener and higher value.

To allow Staffordshire to achieve the above, a full range of additional powers and funding would be required from Government. In exchange for these powers Staffordshire would deliver significant benefits for the people of Staffordshire and beyond, making a significant contribution to the Levelling Up agenda. This would include a significant increase in the number of local green economy jobs, a carbon neutral Staffordshire, and transformed logistics and social care sectors,

In order to drive this agenda forward the Leaders recognised that the existing informal networking arrangements needed to be put on a more formal footing. They decided that a Joint Committee would provide them with a vehicle that has the status and authority to speak to Government on behalf of the nine authorities, and that has the ability to make decisions itself to drive the existing joint working forward.

The Leaders therefore decided to take back a proposal to each of their respective Cabinets proposing that their existing informal meetings are formalised as an Executive Joint Committee to be called the Staffordshire Leaders Board. The remit of the Leaders Board will be:

- a. To lead and oversee the development of a county devolution deal for Staffordshire with HM Government.
- b. To lead and oversee the alignment of relevant local authority action on Climate Change, Waste and Sustainability.
- c. To lead and oversee the alignment of relevant local authority plans for Enterprise and Government Funding and Investment streams.
- d. To lead and oversee the alignment of local authority interaction with the Health sector in Staffordshire.
- e. To lead and oversee the alignment of relevant local authority plans for future Infrastructure.
- f. To lead and oversee the alignment of relevant local authority plans in relation to Housing and Homelessness.
- g. To initiate, lead and oversee Staffordshire-wide joint initiatives to enhance local government efficiency and effectiveness.
- h. To act as a local public sector decision-making body for strategic economic growth.
- i. To act as a conduit to other sub-regional and regional bodies such as the Local Enterprise Partnerships and the Midlands Engine.
- j. Where appropriate, to agree shared priorities and bids for funding to existing and new funding sources such as Local Growth Funds and the Shared Prosperity Fund.
- k. To monitor and evaluate projects and programmes of activity commissioned directly by the Committee.
- l. To communicate and, where unanimously agreed, to align activity across Staffordshire on a range of other key public priorities that affect citizens.

m. To prioritise and make decisions on the use of the funding that the Committee may influence or control.

The Leaders Board will consist of the Leader from each of the nine local authorities and will operate on the basis of one member, one vote.

Each of the constituent authorities own scrutiny will undertake scrutiny arrangements.

The arrangements make provision for the Board to admit Stoke-on-Trent City Council to its membership as an equal member in the future.

The full Terms of Reference/Constitution proposed for the Leaders Board are attached as Appendix 1.

Options Considered

None

Resource Implications

There are no immediate and no significant financial implications arising from the establishment of the Leaders Board in itself. It is intended that it will derive its support from its constituent members. As and when individual projects are commissioned the board will consider the resource requirements necessary to deliver those projects.

The administrative costs of supporting the committee are still to be determined but are not likely to be significant – these will be met equally by the constituent authorities and can be met from within existing budgets.

Legal/Risk Implications Background

The Joint Committee will act as a Joint Committee under Section 9EB of the Local Government Act 2000 and pursuant to Regulation 11 of the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.

Equalities Implications

None directly arising from this report

Environment and Sustainability Implications (including climate change)

Climate change and sustainability are noted as a key priority for the Leaders board.

Background Information

None

Report Author

Andrew Barratt – Chief Executive

List of Background Papers

Nil

Appendices

Appendix 1 terms of reference

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APPENDIX 1

The Staffordshire Leaders Board

Constitution for the Joint Committee

1. Purpose

- 1.1 To establish a Joint Committee of the local authorities in Staffordshire to explore opportunities for improved joint working and to develop and implement plans for devolution from Government through a County Deal.

2. Governance

- 2.1 The Joint Committee will act as a Joint Committee under Section 9EB of the Local Government Act 2000 and pursuant to Regulation 11 of the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.
- 2.2 The Joint Committee will be known as the Staffordshire Leaders Board ("the Leaders Board").
- 2.3 The Leaders Board will comprise the local authorities within the Staffordshire area: Cannock Chase District Council, East Staffordshire Borough Council, Lichfield District Council, Newcastle-under-Lyme Borough Council, South Staffordshire District Council, Stafford Borough Council, Staffordshire County Council, Staffordshire Moorlands District Council, and Tamworth Borough Council ("the constituent authorities").
- 2.4 The Leaders Board may admit Stoke-on-Trent City Council to membership at a later date and therefrom they will become a constituent authority with all the same rights and obligations as the other constituent authorities.
- 2.5 Political Proportionality rules will not apply to the Leaders Board as constituted.
- 2.6 The Leaders Board will be a legally constituted body with powers delegated to it by the constituent authorities in the following areas:
 - a) to prioritise and make decisions on the use of the funding that the Leaders Board may influence or control.



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b) to review future governance requirements and delivery arrangements and how these can be best achieved in Staffordshire.

c) to have direct oversight of the projects and initiatives which the Leaders Board has initiated or over which it has influence or control of the funding.

d) to have strategic oversight of other key projects and initiatives within its remit as set out herein.

2.7 The Leaders Board will not hold funds or monies on behalf of the constituent authorities.

2.8 Should the Leaders Board work plan necessitate a change in the delegated powers and terms of reference of the Leaders Board any such change would require the approval of all the constituent authorities.

2.9 These terms of reference will be reviewed on a biennial basis or sooner if necessary.

3. Remit

3.1 The remit of the Leaders Board will be:

- i. To lead and oversee the development of a county devolution deal for Staffordshire with HM Government.
- ii. To lead and oversee the alignment of relevant local authority action on Climate Change, Waste and Sustainability.
- iii. To lead and oversee the alignment of relevant local authority plans for Enterprise and Government Funding and Investment streams.
- iv. To lead and oversee the alignment of local authority interaction with the Health sector in Staffordshire.
- v. To lead and oversee the alignment of relevant local authority plans for future Infrastructure.
- vi. To lead and oversee the alignment of relevant local authority plans in relation to Housing and Homelessness.
- vii. To initiate, lead and oversee Staffordshire-wide joint initiatives to enhance local government efficiency and effectiveness.



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- viii. To act as a local public sector decision-making body for strategic economic growth.
- ix. To act as a conduit to other sub-regional and regional bodies such as the Local Enterprise Partnerships and the Midlands Engine.
- x. Where appropriate, to agree shared priorities and bids for funding to existing and new funding sources such as Local Growth Funds and the Shared Prosperity Fund.
- xi. To monitor and evaluate projects and programmes of activity commissioned directly by the Committee.
- xii. To communicate and, where unanimously agreed, to align activity across Staffordshire on a range of other key public priorities that affect citizens.
- xiii. To prioritise and make decisions on the use of the funding that the Committee may influence or control.

4. Membership

- 4.1 One member from each constituent authority (such member to be the Leader from each constituent authority) and for the purposes of these terms of reference this member will be known as the principal member.
- 4.2 Each constituent authority to have a named substitute member who must be an executive member.
- 4.3 Where both the principal member and the substitute member attend a meeting of the Leaders Board the principal member shall be deemed as representing their authority by the Chair or Vice Chair.
- 4.4 In the event of any voting member of the Leaders Board ceasing to be a member of the constituent authority which appointed him/her, the relevant constituent authority shall as soon as reasonably practicable appoint another voting member in their place.
- 4.5 Where a member of the Leaders Board ceases to be a Leader of the constituent authority which appointed him/her or ceases to be a member of the Executive of the constituent authority which appointed him/her, he/she shall also cease to be a member of the Leaders Board and the relevant constituent authority shall as soon



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as reasonably practicable appoint another voting member in their place.

- 4.6 Each constituent authority may remove its principal member or substitute member and appoint a different member or substitute as per that authority's rules of substitution, and by providing twenty-four hours' notice to the Chair or the Secretary.
- 4.7 The Leaders Board may from time to time, following a unanimous vote of those present and voting, co-opt additional non-voting members ("co-opted members") at its discretion but such co-opted members will not be members or officers of the constituent authorities.
- 4.8 Each constituent authority may individually terminate its membership of the Leaders Board by giving twelve months written notice of its intent to leave the Leaders Board to the Chair or the Secretary. At the end of these twelve months, but not before, the authority will be deemed to no longer be a member of the Leaders Board.
- 4.9 Where an authority has previously terminated its membership of the Leaders Board it may rejoin the Leaders Board with immediate effect on the same terms as existed prior to its departure.

5. Quorum

- 5.1 The quorum shall be 5 members. No business will be transacted at a meeting unless a quorum exists at the beginning of a meeting. If at the beginning of any meeting, the Chair or Secretary after counting the members present declares that a quorum is not present, the meeting shall stand adjourned.

6. Chair and Vice Chair

- 6.1 The Chair of the Leaders Board will be the principal member of Staffordshire County Council (subject to para 6.2 below)
- 6.2 The Leaders Board will vote annually at its first meeting after all the constituent authorities' annual meetings as to whether the Chair should continue to be the principal member of the County Council or should be the principal member of one of the other constituent authorities.



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- 6.3 The position of Vice Chair shall be filled by the principal member of one of the other constituent authorities of the Leaders Board and this role will rotate annually between those other constituent authorities.
- 6.4 The Chair or in their absence the Vice Chair or in their absence the member of the Leaders Board elected for this purpose, shall preside at any meeting of the Leaders Board.
- 6.5 Appointments will be made in May of each year.
- 6.6 Where, at any meeting or part of a meeting of the Leaders Board both the Chair and Vice Chair are either absent or unable to act as Chair or Vice Chair, the Leaders Board shall elect one of the members of the Leaders Board present at the meeting to preside for the balance of that meeting or part of the meeting, as appropriate. For the avoidance of doubt, the role of Chair and Vice Chair vests in the principal member concerned and in their absence the role of Chair or Vice Chair will not automatically fall to the relevant constituent authority's substitute member.

7. Voting

- 7.1 One member, one vote for each constituent authority.
- 7.2 All questions shall be decided by a majority of the votes of the members present, the Chair having the casting vote in addition to their vote as a member of the Committee. Voting at meetings shall be by show of hands.
- 7.3 On the requisition of any two Members, made before the vote is taken, the voting on any matter shall be recorded by the Secretary so as to show how each Member voted and there shall also be recorded the name of any Member present who abstained from voting.

8. Sub-Committees and Advisory Groups

- 8.1 The Leaders Board may appoint sub-committees from its membership as required to enable it to execute its responsibilities effectively and may delegate tasks and powers to the sub-committee as it sees fit.
- 8.2 The Leaders Board may set up advisory groups as required to enable it to execute its responsibilities effectively and may delegate



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tasks as it sees fit to these bodies, which may be formed of officers or members of the constituent authorities or such third parties as the Leaders Board considers appropriate.

9. Hosting and Administration

- 9.1 The Leaders Board will at their first meeting decide which of the constituent authorities will be the host authority, and the Head of Democratic Services (or equivalent post) from that authority shall be Secretary to the Committee (“the Secretary”).
- 9.2 The Leaders Board will at their first meeting decide which of the constituent authorities will provide the s151 Officer role
- 9.3 The Leaders Board will at their first meeting decide which of the constituent authorities will provide the Monitoring Officer & Legal Adviser to the Leaders Board.
- 9.4 The administrative costs of supporting the committee will be met equally by the constituent authorities, with each authority being responsible for receiving and paying any travel or subsistence claims from its own members.
- 9.5 The functions of the Secretary shall be:
 - a) to maintain a record of membership of the Leaders Board and any sub-committees or advisory groups appointed
 - b) to publish and notify the proper officers of each constituent authority of any anticipated “key decisions” to be taken by the Leaders Board to enable the requirements as to formal notice of key decisions as given under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to be met;
 - c) to carry out such notification to and consultation with members of any appointing constituent authority as may be necessary to enable the Leaders Board to take urgent “key decisions” in accordance with the requirements of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012;
 - d) to summon meetings of the Leaders Board or any sub-committees or advisory groups;



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- e) to prepare and send out the agenda for meetings of the Leaders Board or any sub-committees or advisory groups; in consultation with the Chair and the Vice Chair of the Committee (or sub-committee/ advisory group);
- f) to keep a record of the proceedings of the Leaders Board or any sub-committees or advisory groups, including those in attendance, declarations of interests, and to publish the minutes;
- g) to take such administrative action as may be necessary to give effect to decisions of the Leaders Board or any sub-committees or advisory groups;
- h) to perform such other functions as may be determined by the Leaders Board from time to time

10. Meetings

- 10.1 The Leaders Board will meet no less than quarterly and meetings will be aligned where necessary with deadlines for decisions on resources and investment plans.
- 10.2 Meetings will be held at such times, dates and places as may be notified to the members of the Leaders Board by the Secretary, being such time, place and location as the Leaders Board shall from time to time resolve.
- 10.3 Meeting papers will be circulated five clear working days in advance of any meeting. The Chair may choose to accept or reject urgent items that are tabled at any meeting.
- 10.4 Additional ad hoc meetings may be called by the Secretary, in consultation, where practicable, with the Chair and Vice Chair of the Committee, in response to receipt of a request in writing, which request sets out an urgent item of business within the functions of the Leaders Board, addressed to the Secretary:
 - (a) from and signed by two members of the Leaders Board, or
 - (b) from the Chief Executive of any of the constituent authorities.
- 10.5 The Secretary shall settle the agenda for any meeting of the Leaders Board after consulting, where practicable, the Chair or in their absence the Vice Chair; and shall incorporate in the agenda any items of business and any reports submitted by:



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- (a) the Chief Executive of any of the constituent authorities;
- (b) the Chief Finance Officer to any of the constituent authorities;
- (c) the Monitoring Officer to any of the constituent authorities; or
- (d) any two Members of the Leaders Board.

10.6 The Leaders Board shall, unless the person presiding at the meeting or the Leaders Board determines otherwise in respect of that meeting, conduct its business in accordance with the procedure rules set out in paragraph 13 below.

11. Access to Information

- 11.1 Meetings of the Leaders Board will be held in public except where confidential or exempt information, as defined in the Local Government Act 1972, is being discussed.
- 11.2 These rules do not affect any more specific rights to information contained elsewhere under the law.
- 11.3 The Secretary will ensure that the relevant legislation relating to access to information is complied with. Each constituent authority is to co-operate with the Secretary in fulfilling any requirements.
- 11.4 Any Freedom of Information or Subject Access Requests received by the Leaders Board should be directed to the relevant constituent authority(s) for that authority to deal with in the usual way, taking account of the relevant legislation. Where the request relates to information held by two or more constituent authorities, they will liaise with each other before replying to the request.

12. Attendance at meetings

- 12.1 The Chair may invite any person, whether a member or officer of one of the constituent authorities or a third party, to attend the meeting and speak on any matter before the Leaders Board.
- 12.2 Third parties may be invited to attend the Leaders Board on a standing basis following a unanimous vote of those present and voting.
- 12.3 Where agenda items require independent experts or speakers, the Officer or authority proposing the agenda item should indicate this to the Secretary and provide the Secretary with details of who is



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required to attend and in what capacity. The participation of independent experts or speakers in Leaders Board meetings will be subject to the discretion of the Chair.

13. Procedure Rules

13.1 Attendance

13.1.1 At every meeting, it shall be the responsibility of each member to enter their name on an attendance record provided by the Secretary from which attendance at the meeting will be recorded.

13.2 Order of Business

- 13.2.1 Subject to paragraph 13.2.2, the order of business at each meeting of the Leaders Board will be:
- i. Apologies for absence
 - ii. Declarations of interests
 - iii. Approve as a correct record and sign the minutes of the last meeting
 - iv. Matters set out in the agenda for the meeting which will clearly indicate which are key decisions and which are not
 - v. Matters on the agenda for the meeting which, in the opinion of the Secretary are likely to be considered in the absence of the press and public
- 13.2.2 The person presiding at the meeting may vary the order of business at the meeting.

13.3 Disclosable Pecuniary Interests

- 13.3.1 If a Member is aware that he/she has a disclosable pecuniary interest in any matter to be considered at the meeting, the Member must withdraw from the room where the meeting considering the business is being held:
- (a) in the case where paragraph 13.3.2 below applies, immediately after making representations, answering questions or giving evidence;
 - (b) in any other case, wherever it becomes apparent that the business is being considered at that meeting;



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(c) unless the Member has obtained a dispensation from their own authority's Standards Committee or Monitoring Officer. Such dispensation to be notified to the Secretary prior to the commencement of the meeting.

- 13.3.2 Where a member has a disclosable pecuniary interest in any business of the Leaders Board, the Member may attend the meeting (or a sub-committee or advisory group of the committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

13.4 Minutes

- 13.4.1 There will be no discussion or motion made in respect of the minutes other than except as to their accuracy. If no such question is raised or if it is raised then as soon as it has been disposed of, the Chair shall sign the minutes.

13.5 Rules of Debate

- 13.5.1 A Member wishing to speak shall address the Chair and direct their comments to the question being discussed. The Chair shall decide the order in which to take representations from members wishing to speak and shall decide all questions of order. Their ruling upon all such questions or upon matters arising in debate shall be final and shall not be open to discussion.
- 13.5.2 A motion or amendment shall not be discussed unless it has been proposed and seconded. When a motion is under debate no other motion shall be moved except the following:
- i. To amend the motion
 - ii. To adjourn the meeting
 - iii. To adjourn the debate or consideration of the item
 - iv. To proceed to the next business
 - v. That the question now be put
 - vi. That a member be not further heard or do leave the meeting
 - vii. To exclude the press and public under Section 100A of the Local Government Act 1972



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13.6 Conduct of Members

13.6.1 Members of the Leaders Board will be subject to their own authority's Code of Conduct.

14. Application to Sub-Committees

14.1 The procedure rules and also the Access to Information provisions set out at paragraph 11 shall apply to meetings of any sub-committees of the Leaders Board.

15. Scrutiny of decisions

15.1 Each constituent authority which operates executive arrangements will be able to scrutinise the decisions of the Leaders Board in accordance with that constituent authority's overview and scrutiny arrangements.

16. Winding up of the Leaders Board

16.1 The Leaders Board may be wound up immediately by a unanimous vote of all constituent authorities.

17. Amendment of this Constitution

17.1 This Constitution can only be amended by resolution of each of the constituent authorities.

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17 February 2022

REPORT OF THE PORTFOLIO HOLDER FOR FINANCE, RISK AND CUSTOMER SERVICES**Exempt Information**

None

Purpose

That Members endorse the amount of debt written off for the period 1st April 2021 to 31st December 2021.

Recommendations

It is recommended that Members endorse the amount of debt written off for the period of 1st April 2021 to 31st December 2021 – **Appendix A-E**.

Executive Summary

The Assistant Directors and Heads of Service are responsible for the regular review of debts and consider the need for write off and authorise where necessary appropriate write offs in line with the Corporate Credit Policy.

Type	01/04/21 – 31/12/21 £ p
Council Tax	£16,802.40
Business Rates	£4,108.01
Sundry Income	£802.72
Housing Benefit Overpayments	£26,060.27
Housing	£98,508.29

Options Considered

A revised approach to the calculation of Business Rates bad debt has been developed which involves a review of all of the outstanding debts to ascertain whether they are likely to be collectable. This has then been used to determine the balance to apply the usual aged debtor percentage.

Business Rates	01/04/21 – 31/12/21 £ p
Bad Debt provision as per NNDR 3	(£686,306.00)
Amount written off to date	£4,108.01
Amount remaining	(£682,197.99)

Whilst reported collection rates are marginally ahead of target at the moment, it is too early to know what effect the pandemic will ultimately have on the economy and residents ability to pay in the future.

The pandemic has affected people in a number of ways and many of our residents/customers continue to be financially impacted by the crisis but it should be noted

that at present we would not consider the write off of debts unless we have pursued them to the fullest extent (and as a last resort).

Resource Implications

The write offs detailed are subject to approval in line with the Corporate Credit Policy/Financial Regulations, and have been provided for under the bad debt provision calculation.

Legal/Risk Implications Background

Not applicable.

Equalities Implications

Not applicable.

Sustainability Implications

Not applicable.

Background Information

This forms part of the Council's Corporate Credit Policy and effective management of debt. The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off in accordance with the schemes of delegation prescribed in the Corporate Credit Policy.

The Council views such cases very much as exceptions. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt together with any factors that it feels are relevant to the individual case.

Debt Write Off

Authorisations are needed to write off debt:

Authority	Account Value
Executive Director/Assistant Director (or authorised delegated officer)	up to £5,000
Executive Director Finance	£5,001 - £10,000
Cabinet	over £10,000

These limits apply to each transaction.

Bad Debt Provision

The level of the provision must be reviewed jointly by the unit and Accountancy on at least a quarterly basis as part of the management performance review, and the table below gives the mandatory calculation. Where the debt is less than 6 months old it will be written back to the service unit.

Debt Outstanding Period	Debt Outstanding Provision (net of VAT) %
Between 6 and 12 months old	50%
Between 12 and 24 months old	75%
Over 24 months old	100%

The financial effects of providing for Bad Debts will be reflected in the Council's accounts at Service Unit level.

Report Author

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List of Background Papers

Corporate Credit Policy - effective management of debt.

Appendices

Appendices A to E give details of write offs completed for Revenues and Benefits Services and Housing for 01 April 2021 to 31 December 2021.

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Appendix A

Summary of Council Tax Write Offs 01/04/2021-31/12/2021

Date of Write Off	Head of Revenues			Assistant Director of Finance	Executive Director of Finance		Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£2,000.00)									
07/10/2021	£14.63	£121.20	£3,368.88							£3,504.71	5	Hardship
11/10/2021			£2,757.58							£2,757.58	2	Hardship
19/10/2021			£807.69							£807.69	1	Hardship
"								(£1.45)		(£1.45)		Dividend
21/10/2021		£217.50								£217.50	1	Hardship
02/11/2021								(£4.15)		(£4.15)		Dividend
11/11/2021								(£372.00)		(£372.00)		IVA terminated
"								(£17.64)		(£17.64)		Dividends
12/11/2021			£225.61							£225.61	1	Hardship
"								(£164.56)		(£164.56)		Failed IVA
11/11/2021			£1,729.88							£1,729.88		Hardship
19/11/2021		£355.53								£355.53	1	Hardship
"								(£185.30)		(£185.30)		IVA terminated
25/11/2021			£2,498.04							£2,498.04	2	Hardship
06/12/2021			£981.28							£981.28	1	Hardship
Q3 Totals	£14.63	£694.23	£12,368.96	£0.00	£0.00	£0.00	£0.00	£0.00	(£745.10)	£12,332.72	14	
Q1 Totals (B/F)	£0.00	£0.00	£1,665.82	£0.00	£0.00	£0.00	£0.00	£0.00	(£114.31)	£1,551.51	1	
Q2 Totals (B/F)	£0.00	£473.96	£1,745.20	£2,826.88	£0.00	£0.00	£0.00	£0.00	(£2,127.87)	£2,918.17	3	
Overall Total	£14.63	£1,168.19	£15,779.98	£2,826.88	£0.00	£0.00	£0.00	£0.00	(£2,987.28)	£16,802.40	18	

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Appendix B

Summary of NDR Write Offs 01/04/2021-31/12/2021

Date of Write Off	Head of Revenues			Assistant Director of Finance	Executive Director of Finance	Cabinet	Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£2,000.00)									
02/12/2021	£21.16									£21.16	7	small balances
"		£564.39	£3,522.46							£4,086.85	5	Dissolved
Q3 Totals	£21.16	£564.39	£3,522.46	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£4,108.01	12	
Q1 Totals (B/F)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Q2 Totals (B/F)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Overall Total	£21.16	£564.39	£3,522.46	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£4,108.01	12	

Appendix C

Summary of Sundry Income Write Offs 01/04/2021-31/12/2021

Date of Write Off	Assistant Director of Assets (up to £5,000.00)	Assistant Director Growth & Regeneration (up to £5,000.00)	Assistant Director People (up to £5,000.00)	Assistant Director Operations & Leisure (up to £5,000.00)	Assistant Director Neighbourhoods (up to £5,000.00)	Head of Revenues (£0.00-£2,000.00)	Assistant Director of Finance (£2,000.01 -£5,000.00)	Assistant Director Partnerships (up to £5,000.00)	Executive Director of Finance (£5,000.01-£10,000.00)	Cabinet (£10,000.01 +)	Total	No. of Accounts	Reason(s)
Page 141													
Q3 Totals	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Q1 Totals (B/F)	£240.72	£0.00	£0.00	£562.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£802.72	3	
Q2 Totals (B/F)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	
Overall Total	£240.72	£0.00	£0.00	£562.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£802.72	3	

Appendix D

Summary of Benefit Overpayment Write Offs 01/04/2021-31/12/2021

Date of Write Off	Head of Benefits				Executive Director of Finance (£2,000.01-£10,000.00)	Cabinet (£10,000.01 and Over)	Reversed Write Off	Total	No. of Accounts	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£2,000)						
12/10/2021							(£0.10)	(£0.10)		Payment
31/10/2021	£22.54	£553.99						£576.53	6	deceased < 2 wks o/s
"	£0.08							£0.08	1	uneconomical to pursue
"		£100.00						£100.00	1	Court costs
"		£83.01						£83.01	1	Not financially viable
"		£326.24						£326.24	1	Deceased
"				£1,434.37				£1,434.37	1	Bancrupt / Insolvency
"				£1,282.82	£6,077.50			£7,360.32	2	Statute Barred
30/11/2021	£0.84							£0.84	1	uneconomical to pursue
"	£96.16	£206.00						£302.16	3	not financially viable
"		£649.51						£649.51	4	deceased < 2 wks o/s
"			£631.86					£631.86	1	deceased
12/2021	£8.89							£8.89	1	uneconomical to pursue
"		£232.65						£232.65	1	Not financially viable
"					£5,299.29			£5,299.29	1	deceased
Q3 Totals	£128.51	£2,151.40	£631.86	£2,717.19	£11,376.79	£0.00	(£0.10)	£17,005.65	25	
Q1 Totals (B/F)	£367.98	£590.25	£0.00	£0.00	£6,458.30	£0.00	£0.00	£7,416.53	14	
Q2 Totals (B/F)	£123.62	£1,514.47	£0.00	£0.00	£0.00	£0.00	£0.00	£1,638.09	16	
Overall Total	£620.11	£4,256.12	£631.86	£2,717.19	£17,835.09	£0.00	(£0.10)	£26,060.27	55	

Appendix E

Summary of Housing Write Offs 01/04/2021-31/12/2021

Date of Write Off	Assistant Director - Neighbourhoods				Executive Director of Finance	Cabinet	Remitted	Credit Write Off	Reversed Write Off (Write On)	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£2,000.00)	(£2,000.01-£5,000)	(£5,000.01-£10,000.00)	(£10,000.01 and Over)						
12/11/2021	£96.19	£1,807.33							£1,903.52	13	Deceased	
"	£171.25	£5,235.24	£6,795.35	£12,854.98					£25,056.82	51	Statute barred	
25/11/2021							(£903.20)		(£903.20)		System error	
30/11/2021					£5,289.44				£5,289.44	1	Deceased	
"					£12,246.44				£12,246.44	2	Statute Barred	
15/12/2021							(£9,684.48)		(£9,684.48)		Tenancy ended up to 31/12/2009, under £100, over 6 years old	
"							(£2,302.14)		(£2,302.14)		Tenancy ended 01/01/2010 to 04/10/2015, under £100, over 6 years old	
"							(£624.75)		(£624.75)		Garage rents under £100, over 6 years old	
Q3 Totals	£267.44	£7,042.57	£6,795.35	£12,854.98	£17,535.88	£0.00	£0.00	(£13,514.57)	£0.00	£30,981.65	67	
Q1 Totals (B/F)	£414.48	£5,764.26	£22,531.60	£31,110.54	£0.00	£0.00	£0.00	(£6,866.99)	(£71.10)	£52,882.79	72	
Q2 Totals (B/F)	£155.57	£2,534.58	£1,433.63	£12,761.47	£0.00	£0.00	£0.00	(£1,378.30)	(£863.10)	£14,643.85	25	
Overall Total	£837.49	£15,341.41	£30,760.58	£56,726.99	£17,535.88	£0.00	£0.00	(£21,759.86)	(£934.20)	£98,508.29	164	

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Thursday, 17 February 2022

Report of the Portfolio Holder for Environment, Entertainment and Leisure

Release of Capital Contingency

Exempt Information

None

Purpose

To request the release of £50k from the Councils Capital Contingency budget to the Capital programme, for the refurbishment of existing play facilities in the borough.

Recommendations

It is recommended that:

1. Members approve the release of £50k from the Capital contingency budget
2. The Assistant Director, Operations and Leisure in consultation with the Portfolio Holder for Environment, Entertainment & Leisure be authorised to enter into contract with the most economically viable and environmentally sustainable tender received.

Executive Summary

The Council's corporate priorities are an integral influence in informing the Capital Strategy and sets the scene for how capital projects and individual proposals are assessed. The Council is committed to working with its public, peers and partners in order to:

Deliver a programme of projects, planned initiatives and work streams designed to achieve outcomes against the Corporate Priorities;

The funding requested for this report supports the Council's new vision. In addition, the new 'Living in Tamworth' priority states that the council will 'invest in neighbourhood and place environment' and by continuing to improve and invest in our play areas and taking local action this will go a long way to delivering on this priority. Whilst the council accepts this is a limited action it remains committed to ensuring the focus remains on supporting a range of very local play amenities.

An upgrade program is underway, every year we look at our latest RoSPA report in conjunction with our own surveys to identify areas in need of refurbishment or replacement. We are expecting the RoSPA report imminently so I will be well informed of what is required going forward.

The RoSPA report looks at safety and remaining 'life' of individual pieces of equipment as well as the whole area, it normally hits us in January and then we use what remaining revenue budget we have to target the worst items.

All areas and equipment are inspected at least once a week so we are aware of the condition of most areas, a piece of work bringing all this together is underway and will provide a planned programme of works going forward which we will be able to reasonably accurately cost to inform the budget setting process for 2023/24.

An existing play area within Tamworth will be refurbished to increase the play facilities and accessibility within the local community.

It is anticipated that the play area design and installation will be tendered by the spring and construction completed before the summer, weather and supply chain issues permitting.

At the same time the council is undertaking a RoSPA survey of local play facilities, and it is likely that individual items on other play areas may be identified for repair.

This report is to allocate capital contingency for the full refurbishment of a single play area and to undertake urgent works on other play equipment should it fall outside of existing budget provision.

Options Considered

The capital funding was allocated for the refurbishment of a play area is for this financial year only, there are no other options to consider at this time.

Resource Implications

The release of £50,000 of Capital contingency funding detailed above will be added to the existing Capital Programme for spend in 2022/23.

Future maintenance of these assets will be met from within GW1801 15012, maintenance of play areas.

Risk Implications Background

None

Equalities Implications

None

Environment and Sustainability Implications (including climate change)

The tender specification will insist that the play area will have a guaranteed life of at least 20 years and will be constructed of environmentally sustainable materials to meet the required specification where applicable. Further encouraging play can also increase health within our community.

Background Information

At the same time the Council is undertaking a RoSPA survey of local play facilities, and it is likely that individual items on other play areas may be identified for repair.

This report is to allocate capital contingency for the full refurbishment of a single play area and to undertake urgent works on other play equipment should it fall outside of existing budget provision.

Report Author

Sarah McGrandle – Assistant Director Operations and Leisure

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